

# Chapter 6

## Recommendations

### INTRODUCTION

This Chapter presents recommendations to rebuild the VR&E Service and Program. These recommendations are aligned under four categories:

- Program
- Organization
- Work Process
- Integrating Capacities

We use the term Integrating Capacities to refer to those internal VR&E organizational capabilities that are necessary to effectively plan and manage central office and field operations and to integrate the diverse activities of the VR&E Service. Exhibit 19 identifies the recommendations included in each of the four categories – program, organization, work process, and integrating capacities.

These recommendations identify actions that are suggested to begin in the near-term (3-6 months), mid-term (6 months) and long-term (12 months +) to improve performance of the VR&E Service and program. An index of recommendations with suggested implementation timeframes is provided in Appendix 16. Where appropriate, these recommendations are cross-referenced to each other and other associated details that appear in the appendices. Exhibit 20 is a charter compliance table that shows the alignment of each recommendation with one or more elements in the Task Force charter.

The following recommendations include a discussion of the underlying issues, information that supports the recommendation, and a description of the recommendation.

### PROGRAM RECOMMENDATIONS

#### P-1 Eligibility

- Use Chapter 36 counseling benefits as part of the triage process for administering the use of Chapter 31 for pre-discharged military members and post discharged veterans. (Near-Term)
- Remove the limiting periods for use of Chapter 36 counseling benefits. (Near-Term)
- Establish a system to accelerate the delivery of Chapter 31 rehabilitation services to those veterans in most critical need by changing the definitions of 38 U.S.C §§ 3101 and 3102 to:

- o Make all service members who have been found medically unfit and are pending discharge or who have been discharged for a disability incurred or aggravated in the line of duty automatically eligible and entitled to VR&E services and benefits. Adjudication of a claim for service-connected disability and a VR&E determination of an employment handicap are not required for determining eligibility and entitlement. (Mid-Term)
- o Make all service-connected disabled veterans with a combined SCD rating of 50 percent or greater automatically eligible and entitled for VR&E services and benefits. (Mid-Term)
- o Make all veterans in receipt of Special Monthly Compensation (SMC) for loss of or loss of use of a limb automatically eligible and entitled to VR&E services and benefits without a determination of an employment handicap. (Mid-Term)
- o Seek congressional action to remove the terminology “achievement of a vocational goal currently is not reasonably feasible” for severely-disabled veterans and substitute with “employment is not an immediate goal.” (Long-Term)

## DISCUSSION – ELIGIBILITY

These recommendations are driven by two primary objectives. The first objective is to focus the VR&E Program priorities on the population of disabled veterans that have the most serious disabilities that impact attaining quality of life and employment. This does not mean that the VR&E program should cease to serve all veterans who are eligible and entitled, but rather that VR&E should establish priorities to serve those who are most in need first. The second objective is to create a system that eliminates the need for a disability rating as a prerequisite for receiving VR&E Services so as many seriously-disabled veterans as possible can receive services on an accelerated basis.

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*“ There should be no time limit on a veteran’s being able to receive counseling – vocational, education, personal problems and employment – from the VR&E Program.”*

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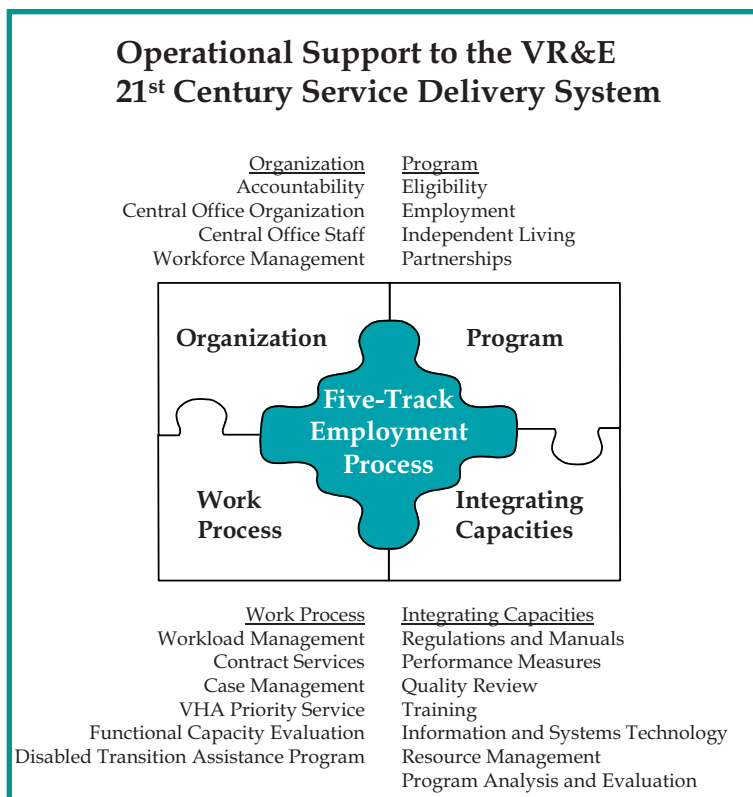
### **Greater Opportunities for Counseling**

As a first step in accelerating the delivery of services to veterans, the Chapter 36 counseling program should be expanded to become the means by which initial counseling is provided to veterans seeking VR&E assistance. Currently, VR&E Program contractors deliver virtually all of the Chapter 36 counseling that is provided at military installations as part of the Transition Assistance

Program. Today service members who are within 6 months of being separated from the military or who have been separated for no more than 12 months may receive this counseling.

There should be no time limit on a veteran’s being able to receive counseling – vocational, education, personal problems and employment – from the VR&E Program. Based on discussions with the General Accounting Office, it appears that the eligibility time limits on using Chapter 36 counseling may be inconsistent with the time limits on eligibility for the TAP and Disability

Transition Assistance Programs. As the Task Force understands it, service members are eligible to attend TAP and DTAP up to two years before retirement and one year prior to separation. TAP and DTAP are available to retired and separated veterans on a space available basis. The time limit restrictions on the veteran's use of Chapter 36 should at least allow service members to seek VR&E counseling assistance consistent with the limits of the TAP and DTAP programs.



**Exhibit 19**

### VR&E Services to Those in Critical Need

Task Force members discussed at length how best to identify the populations of veterans in most critical need of VR&E benefits and services. The recommendations above identify the three groups of veterans with disabilities for whom eligibility and entitlement should be automatic.

The term “automatic entitlement” does not mean that VBA is excused from verifying a veteran’s status within the following three groups of service-connected veterans, and the Task Force suggests that VBA develop a streamlined verification approach. The design of any “streamlined” process for eligibility and determination decisions must ensure that VBA is able to meet its inherently governmental and fiduciary responsibilities with regard to approving the disbursement of appropriated funds.

Based on available data in VBA’s C&P Service, DoD annually discharges approximately 14,000 service members for medical reasons. For all intents and purposes, these service members were already found to have a serious enough employment handicap that makes their continued employment by DoD infeasible. A further employment handicap determination by VR&E staff is redundant and delays delivery of services until after the service member files a compensation and pension claim and a disability “Memo Rating” is issued. Providing automatic eligibility and entitlement to these service members will allow VR&E counselors to work with service members during that critical period

<b>Task Force Recommendations</b> P = Program O = Organization WP = Work Process IC = Integrating Capacities	<b>Task #1</b> Conduct a functional and organizational assessment of the VR&E Service	<b>Task #2</b> Evaluate eligibility criteria, procedures, and processes for determining veteran's entitlement to Chapter 31 services	<b>Task #3</b> Appraise current VR&E processes, information systems, and management controls	<b>Task #4</b> Determine consistency in the VR&E program in Regional Offices	<b>Task #5</b> Examine clinical rehab practices and employment placement services utilized by others serving disabled persons
P-1 Eligibility		✓			
P-2 Employment		✓	✓		✓
P-3 Independent living		✓	✓		✓
P-4 Partnerships	✓		✓		✓
O-1 Accountability	✓	✓		✓	
O-2 Central Office Organization and Facilities	✓			✓	
O-3 Central Office Staffing	✓			✓	
O-4 Workforce Management	✓		✓		
WP-1 Workload Management					
WP-2 Contract Services	✓	✓	✓	✓	
WP-3 Case Management and Specialization		✓	✓	✓	
WP-4 Priority Service at VHA			✓		✓
WP-5 Functional Capacity Evaluation		✓	✓		✓
W-6 Disability Transition Assistance Program		✓	✓	✓	
IC-1 Regulations and Manuals		✓	✓	✓	
IC-2 Performance Measures			✓	✓	
IC-3 Quality Review Process			✓	✓	
IC-4 Information Technology			✓	✓	
IC-5 Training			✓	✓	
IC-6 Resource Management			✓	✓	
IC-7 Program Analysis and Evaluation			✓	✓	

Exhibit 20 : Charter Compliance Table

of time when they may be in prolonged discharge status. The parameters and specifics for medically-discharged service members should be jointly developed by DoD and VBA. Available data on the veterans serviced by the VR&E Program indicates that approximately 83 percent of those veterans with a rated disability of 50 percent or greater are found entitled to benefits. It would be more efficient and effective if these veterans were found automatically eligible and entitled to VR&E benefits. This would eliminate the time now expended for determination of entitlement based on an employment handicap.

The Task Force also believed that it was important to send a clear message that those who have lost limbs or lost the use of a limb be automatically entitled to VR&E services and benefits. This means that these veterans should not have to wait until they receive a disability “Memo Rating” and a determination of an employment handicap. Or, if already separated, they should not have to wait for an employment handicap determination.

### **Refocusing Independent Living Entitlement**

Currently, the Independent Living entitlement is based on a determination of employment infeasibility. The Task Force expended considerable time in discussions about the focus and structure of the Independent Living Program. The Task Force felt that the current entitlement criteria is negative in focus and assumes that those veterans who would benefit from Independent Living services cannot be employed. The Task Force does not believe that this is the appropriate message that should be sent to veterans.

Veterans who may benefit from gaining independence in daily living are faced with significant challenges due to their disabilities. The view of the Task Force as well as the larger Independent Living community is that these disabilities do not necessarily mean that employment could not be an attainable goal. As a result, Independent Living programs should be structured to provide the means and hope for achieving the goal of employment, however that goal might be defined for an individual veteran.

### **P-2 Employment**

- Implement a new five-track employment-driven VR&E service delivery system and a broad based strategy to consistently communicate to veterans and stakeholders that the purpose of the VR&E Program is employment. (Mid-Term to Long-Term; Priority)
- Create the position of VR&E Service Assistant Director for Employment Services to provide leadership and elevate the visibility and importance of veterans’ employment within VA and to outside stakeholders. (Near-Term) (See Recommendation on Central Office Organization and Staffing.)
- Create new staff positions and add staff for an Employment Readiness Specialist (56 FTE) and a Marketing and Placement Specialist (56 FTE) to facilitate implementation of the five-track employment-driven service delivery system. (Near to Long-Term) (See Recommendations on Workforce Management and Chapter 4.)



- Transfer the current 45 FTE Employment Specialist staff positions in VR&E back to professional counseling positions. (See Recommendations on Workforce Management.) (Near to Long-Term)
- Develop new policies and procedures to implement the new, five-track employment-driven service delivery system with priority given to Guard and Reservist in Tracks 1 and 2. (Near-Term; Priority)
- Develop and implement initial and ongoing training programs for Marketing and Placement Specialists and Employment Readiness Specialists. (Near-Term)
- Make better use of special appointing authorities to help veterans obtain federal employment. (Mid-term)
- Provide an interim information system capability and long-term solution to support a redesigned comprehensive employment services program. (Near-Term; Priority) (See Recommendations on Information Technology.)
- Enhance existing online employment services. (Near-Term)

## DISCUSSION – EMPLOYMENT

These recommendations identify the essential changes that are necessary to enhance the current VR&E service delivery strategy as it relates to employment. The central thrust of the Task Force’s recommendations is to redesign the current service delivery concept used by the VR&E Service and field offices to provide an integrated service delivery system and strategy based on the Five-Track Employment Process. This system and its essential characteristics are described in Chapter 4.

Implementation of this change should begin with creating leadership and clear lines of authority and responsibility for administration of the VR&E employment program. Historically, top leadership in the VR&E Service and VBA has not demonstrated a commitment to providing employment services. The Task Force believes that it is essential that the importance of the employment mission of VR&E be embodied in a leadership position within the VR&E Service at a high enough level that sends a clear message that employment is important to VBA and to external organizations.

Successful implementation of this new service delivery system must be paced by the availability of staffing and skill resources adequate to do the job. Beginning in the late 1990s, the VR&E Service transferred 45 FTE counseling positions into Employment Specialist positions. This decision effectively reduced the productivity of the counselor workforce at a time when the VR&E workload was increasing. Actions to fill some of the new employment positions with employees who had been rehabilitation specialists compounded this workload problem. The workforce recommendations above, discussed in more detail later in this chapter, are designed to finally recognize the requirements for dedicated employment staffing and properly resource this requirement. Implementation of this workforce management recommendation should include returning the current employment positions to counseling positions. These positions should be redistributed within the VR&E Divisions based on consideration of workload and performance.

The Task Force believes that VR&E could make better use of special appointing authorities to assist veterans in obtaining federal employment. There are several special non-competitive appointing authorities available to facilitate the placement of certain disabled veterans into federal jobs. These authorities allow a federal agency to hire these disabled veterans through a non-competitive process if they are qualified to do the job. These authorities include:

- Section 3112, title 5, US Code allows for the appointment of service-connected disabled veterans rated 30 percent or more to any job for which they are qualified without regard to grade restrictions.
- Section 4214, title 38, US Code allows for the appointment of certain disabled veterans to any job for which they are qualified up to and including GS-11. This is commonly known as the Veterans Recruitment Authority (VRA) and formerly known as the Veterans Readjustment Authority.
- Section 315.604, title 5, Code of Federal Regulations (CFR) allows for the appointment of a disabled veteran who completes a program of vocational rehabilitation to a position for which the veteran has been trained in that program.

Consistency in the administration of the employment program can be achieved by developing a set of evidence-based policies and practices to guide implementation of the program. This will be reinforced through a systematic training program. As discussed earlier, the VR&E Service will need to develop new guidance to implement the new service delivery system. Recommendations on Regulations and Manuals address the essential activity that must be initiated to deal with this issue.

The design of CWINRS, the core information system supporting VR&E operations, has limited capabilities to facilitate management of the current employment program. There is an urgent need for the VR&E Service to acquire some interim systems capability to support the new service delivery system. As discussed in Recommendations on Information Technology, the VR&E Service may want to consider negotiating with state vocational rehabilitation and employment agencies for use of their systems on an interim basis.

Finally, the Internet has infiltrated everyday life for most Americans, and has had a serious impact on major life decisions, including careers. Job sites are among the most popular sites on the Internet and many job seekers routinely submit resumes by email. The Internet provides important resources and tools to help both veterans and their counselors in America's Job Bank activities.

Our recommendations will re-focus the online information and application form more directly on employment services and make it easier for a veteran to navigate the VBA/VR&E Webpages, a goal that is compatible with the President's Management Agenda on electronic government. See Appendix 13 for recommendation details and technical guidance to improve VA's online employment services.

**P-3 Independent Living Recommendations**

- Establish a VR&E Service CO position dedicated to lead and manage the IL program. (Near-Term)
- Create and staff Independent Living Specialists positions with personnel experienced in social work, counseling psychology, and disability. (Near-Term) (See Recommendation on Workforce Management.)
- Review IL “best practices” such as those implemented in Tampa VAMC/ St. Petersburg RO as well as various state models as exemplified by the State of Alabama Independent Living Program. (Near-Term)
- Provide consistent and uniform training for IL specialists. (Near-Term) (See Recommendation on Training.)
- Initially, focus VHA/VR&E integration on Centers of Excellence for spinal cord injury, traumatic brain injury, blind rehabilitation, and stroke. Establish protocols for a VHA/VR&E team approach (*One VA*) under the leadership of the IL specialist. (Mid-Term)
- Review funding sources and create and maintain an inventory of IL services and assistive technology devices that can be provided across VA. (Mid-Term)
- Initiate a study of the population of veterans currently in the VR&E IL Program and those receiving IL services; use this data and other research to develop estimates of the future demand for IL services and the types of services that might be needed to support veterans. (Mid-Term)

**DISCUSSION—INDEPENDENT LIVING**

The recommendations above are designed to improve the consistency in the administration of the overall program. These recommendations will also facilitate implementation of a refocused Independent Living Program and operational concept as discussed in Chapter 4.

In the view of the Task Force, administration of the IL program requires specialized knowledge and skills for efficient and effective administration of the program. This specialization and emphasis on consistency should begin with establishing leadership of the program at the VR&E Service. The VR&E Service should consider hiring someone for this position who has management experience in leading an IL organization or program. Consistent with the concept of specialization, the VR&E Service should also create and staff IL staff positions consistent with the operational concept described in Chapter 4.

Consistency in administration of the program can be achieved by developing a set of evidence-based policies and practices to guide implementation of the program reinforced through a systematic training program. It was clear from the Task Force’s review of current training and documentation of the program that there is significant room for improvement. The VR&E Service should conduct a rigorous review of existing policies and procedures in light of evidence-based best practices used by organizations engaged full time in the administration of Independent Living programs. As soon as new baselines are developed for policy and procedures, VR&E should develop and implement a new training program using many of these external resources.



A critical element in this refocused program is the integration of VHA and VR&E capabilities to strengthen delivery of services and life cycle case management to improve the outcome for the veteran. The Task Force recommends that VHA and the VR&E Service consider working to build a *One VA* approach by first focusing on veterans in VHA Centers of Excellence for spinal cord injury, traumatic brain injury, blind rehabilitation, and stroke. These evidence-based protocols can be expanded to include other disabilities as determined appropriate. Another key element in this refocused program is the development of a comprehensive inventory list of all IL services, benefits, and funding that are available through VHA and VBA. The Task Force was surprised to learn that VA has not developed such an inventory. This information should be developed for each VHA VISN area, regularly maintained, and distributed VA wide.

The Task Force is also concerned about the limited amount of data and information that is available on veterans currently receiving IL services and the number of potential veterans who may be in need of such services. The inconsistent administration of the IL program makes it difficult to draw conclusions about the population of veterans being served. The VR&E Service should initiate efforts to characterize the population of veterans currently in the IL program and also those receiving IL services. This information should be used to facilitate a comprehensive VA analysis to estimate the future demand for IL services and the characteristics of the population of disabled veterans seeking those services, as well as to make decisions on the scope and content of the program and the resource requirements to administer the program in the future.

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#### **P-4 Partnerships**

- Establish a Veterans Rehabilitation and Employment Working Group led by VA Central Office and composed of representatives from VHA, VBA and VR&E, DOL, DoD and the Council of State Administrators of Vocational Rehabilitation to develop and implement local, regional and national policies, strategies, and plans for continued collaboration and improved integration of rehabilitation and employment of veterans with disabilities. (Mid-Term)
- Initiate a Memorandum of Understanding (MOU) with the Council of State Administrators of Vocational Rehabilitation (CSAVR) and the Rehabilitation Services Administration (RSA) to facilitate formal partnerships with state vocational rehabilitation agencies to leverage employment opportunities for veterans with disabilities. (Near-Term)
- Establish a pilot project with the VBA Montgomery Regional Office and the Alabama Department of Rehabilitation Services to guide the development and design of collaborative business processes that could be implemented nationwide. (Near-Term)
- Negotiate a new Memorandum of Agreement with DOL to improve and standardize nationwide the DVOP-VR&E business processes and

relationships for more effective and efficient delivery of services to veterans with disabilities seeking employment. (Mid-term)

- Enter into proactive collaborative relationships with key local, regional, and national organizations such as the Office of Federal Contract Compliance Programs, state employment agencies, and other entities such as the growing national employment network of state employment personnel, business representatives, and others. (Mid-Term)

## **DISCUSSION – PARTNERSHIPS**

Task Force fact-finding interviews indicated that the VR&E Service has not been proactive in leading the development of national collaborative partnerships to increase the opportunities for facilitating employment services and placement for veterans. Some local VR&E Division offices have established relationships with organizations to facilitate employment of veterans, but these appear to be limited in scope and not part of a national VR&E Service collaborative strategy and plan. For many years, employers have partnered with rehabilitation organizations to increase hiring opportunities for persons with disabilities. The Task Force is concerned that the VR&E Service has not been a proactive member of this broader community of organizations that have long standing relationships and capabilities to facilitate employment for veterans with disabilities.

Of particular concern is that VR&E Division offices have not established significant or consistent collaboration with state vocational rehabilitation agencies. As reported to the Task Force by the President of the Council of State Administrators of Vocational Rehabilitation, state vocational rehabilitation agencies are rarely able to fill all job leads that have been developed through their employer networks. Because of the expertise of the agencies and their established employment networks, such partnerships could prove to be quite productive in leveraging resources to increase employment opportunities and successful outcomes for veterans with disabilities.

As a first step in creating a proactive and sustainable partnership strategy, the VA should consider establishing and leading a high level Veterans Rehabilitation and Employment Working Group. Such an effort will demonstrate to veterans, VA staff, and the rehabilitation and employment communities the commitment of the VA for change in VR&E and improved employment opportunities for veterans. This working group could be instrumental in developing and implementing a broad-based communications strategy and campaign to educate veteran employment stakeholders, veterans, and employers about the goals, programs and services of the redesigned VR&E service delivery strategy and system.

This leadership initiative should be accompanied by actions to initiate partnership agreements with several key organizations. One of the most critical of these agreements should be with the Council of State Administrators of Vocational Rehabilitation (CSAVR) and the Rehabilitation Services Administration (RSA). This agreement should be used to lay the foundation for agreements between local VR&E Division offices and state vocational rehabilitation agencies for development and integration of processes for the

identification of employment resources, shared case management activities for plan development and employment services, and opportunities for shared training. The Task Force recommends that VBA “jump-start” the state vocational rehabilitation agency partnership strategy by initiating a pilot project between the Montgomery RO and the Alabama Department of Rehabilitation Services.

As discussed in Chapter 5, the strategic and working relationship between the DOL veterans’ employment programs and VR&E must be improved. In finalizing the new memorandum of agreement with DOL, the VR&E Service should consider including the following provisions:

- Measurable outcomes that are time-dated, including data reflecting the number of disabled veterans jointly assisted by DVOPS and local VR&E Division offices (noting services provided) indicating those that result in employment.
- Nationwide, consistent in-service training for DVOPS to increase their effectiveness in marketing and placing veterans with disabilities. Topical areas in this training should include, but not be limited to, information on disabilities, job accommodations, and dealing with employer concerns specific to a veteran’s disability. Training should also focus on demonstrations of existing best practices from around the country.
- Conduct national and local quarterly reviews of strategic plan progress.
- Initiate state and local conference calls between DVOPS and VR&E staff to review employment issues such as staffing of disabled veterans seeking employment, shared employer development, best practices in placement, and troubleshooting to improve local activities.
- Develop a State Plan for DVOPS to include specific and measurable goals that foster active involvement by the DVOPS in the placement of veterans with disabilities. The DOL Employment and Training Administration Advisory System issued common measures policy in its Training and Employment Guidance Letter 15-03, on December 19, 2003.<sup>1</sup> This guidance should be made available to every VR&E Office.
- The Assistant Secretary for Veterans Employment and Training and the Director of VR&E should develop and implement a joint training program to assure the maximum utilization of the DVOP’s skills in labor market information and other areas that assist the disabled veteran find employment consistent with the goals of the training program.
- The DVOP should also be instrumental in providing employment assistance/services to the disabled veteran who wants immediate employment services or return to work with a previous employer rather than pursuing a more formal training or education program.

The VR&E Service should also consider establishing partnership relationships with other agencies as identified in the above recommendation. One of the key agencies is the state employment office. The VR&E Service should work with directors of state employment offices to negotiate unrestricted access by the VR&E Division employment staff to the state’s America’s Workforce System

database that provides comprehensive information on all listed job vacancies as well as the ability to “direct-refer” qualified and pre-screened disabled veterans. A large number of employers post their job vacancies with state employment offices using this system.

## **ORGANIZATION RECOMMENDATIONS**

### **O-1 Accountability**

#### **Organizational Accountability**

- Provide the VR&E Service Director greater line-of-sight authority over VR&E field staff and operations, resources and personnel evaluation, selection, assignment, and promotion. (Near-Term to Long-Term)
- Establish clear lines of responsibility and authority within the VR&E Service for administration of the program and delivery of services. (Near to Long-Term)
- Set formal performance goals for VR&E Officers, VR&E staff, Regional Office Directors, and Service Center Managers and hold these individuals accountable for performance. (Near-Term to Long-Term)
- Implement a systematic project integration and change management process. (Near-Term to Long-Term)

#### **Program and Fiscal Accountability**

- Expedite the transfer of voucher processing to RO Finance Offices; provide additional FTE as necessary to support this transition and workload. (Near-Term)
- Develop an integrated protocol for seamless management by VR&E and the CFO of voucher audit operations and establish performance standards to ensure timeliness of payments and purchases. (Near-Term)
- Implement a process and system for tracking and documenting the purchase of individual and cumulative Chapter 31 services and products purchased by RO staff for each veteran; put in place processes for analysis and executive oversight and review of nationwide data, trends in purchasing, and appropriateness of these purchases to the mission. Routinely provide visibility of this data and information to CO and field staff, RO Directors, and the VBA CFO. (Near-Term to Mid-Term)
- Enforce a nationwide protocol for threshold approval (level of funds and type of purchases) of single and cumulative services and products procured by VR&E staff, VR&E Officers, and RO Directors. Develop this protocol in coordination with the CFO and Office of Field Operations to ensure that all aspects of fiscal control and program integrity are addressed. Provide RO Directors the authority to establish more restrictive fiscal controls based on local circumstances. (Near-Term)
- Enhance the functionality of CWINRS on a priority basis to address CFO requirements for internal control and financial management. Enhance the functionality of CWINRS for management and oversight of all discretely-procured contractor services and products by veteran, counselor and type of goods or services; establish cumulative expenditure thresholds for purchase of goods and services and establish a second level of pre-approval tied to these thresholds. (Near-Term to Mid-Term)

## DISCUSSION – ACCOUNTABILITY

### Organizational Accountability

Accountability for administration of the program and implementation of VR&E projects has been diffused throughout the VR&E Service central office and field organization. The Under Secretary for Benefits has already taken actions to begin to strengthen the leadership and management of the VR&E Service. VBA should also consider providing the VR&E Service Director with some line-of-sight authority for field administration of the program. As discussed previously in this report, the VR&E Program is fundamentally different from all the other VBA lines of business. As a result, there is limited knowledge of the VR&E domain within VBA's line organization and within the Office of Field Operations. This line-of-sight authority may well be essential to achieving nationwide consistency in administration of the program.

Task Force interviews with current and former VR&E Service central office staff highlighted deficiencies in internal management of the organization. One of the primary reasons for this situation appears to be that clear roles and responsibilities had not been established for functions and individuals as well as establishment of a system of accountability.

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Prior to the convening of the Task Force the Under Secretary for Benefits had also taken action to emphasize Regional Office Director accountability for VR&E Division performance. The Task Force suggests that VBA consider formalizing this emphasis and also establishing some measure of accountability for the role of the Service Center Manager in providing timely "Memo Ratings."

The Task Force observed some of the same problems in the VR&E Service's project, integration, and change management processes that were observed by the VA Claims Processing Task Force in its assessment of C&P Service's processes. The variability in how changes are planned and implemented within the central office and across VR&E Division offices as well as the acceptance of such variability by VR&E Service leadership in the past may be part of the cause for the significant inconsistency in administration of the program. There also does not appear to be a systematic project planning and management process in place as well as mechanisms to integrate the multiplicity of actions that have been started within the VR&E Service central office. The Task Force encourages the VR&E Service to implement a formal project, integration, and change management process.

### Program and Fiscal Accountability

The Task Force's review of VR&E's internal management processes identified several crosscutting issues associated with the decision process for purchasing goods and services, the administration of these payment transactions, and the payment and fiscal accountability processes associated with the program. These issues impact information technology functionality in CWINRS, policy, and procedures in the CFO and VR&E organizations, and the organizational capacity of the organization to perform a range of analysis activities.



**Internal Controls**

In 1996, the VR&E organization assumed responsibility for the Chapter 31 voucher audit function from the Regional Office Finance Office. Based on discussions with RO Directors and CFO staff, it appears that this function was not completely transferred to VR&E in all ROs. In March 2003, the VBA CFO identified the VR&E voucher audit as a high-risk function for VBA and actions are now underway to transfer this function back to the Finance Office organizations in the Regional Offices. The Task Force supports the initiative to assign this function to RO Finance Offices as part of the CFO's efforts to strengthen internal control capabilities for the VR&E program. In implementing this transfer, VBA should consider three factors.

- The CFO has identified the need for over 50 functional enhancements to CWINRS to satisfy requirements for VR&E internal control and improve financial oversight. Based on discussions with the CFO and VR&E staffs, it appears that not all of the CFO's critical functional requirements for CWINRS were incorporated in the design of V1.0 of CWINRS. These priority enhancements are not funded. (See Recommendations on Information Technology.)
- Part of the reason for transferring the voucher audit function to VR&E was to reduce payment time and the number of handoffs. To ensure this transfer does not add delays to the current process, the VR&E Service and the CFO should consider developing an integrated set of protocols to facilitate a smooth integrated workflow process for this critical function. Appropriate performance standards should also be established for the voucher audit to focus management attention on the timeliness and accuracy of this function.
- Potentially, this transfer will require additional Finance FTE. Based on discussions with CFO and VR&E CO staff, there is limited information describing how the FTE issue was addressed in 1996 when the function was transferred to VR&E. The question of FTE requirements for Finance and for VR&E to support financial management tasks should be addressed on a priority basis before this transfer is implemented.

**Approval Thresholds for VR&E Purchases**

The VR&E Service has established cumulative *calendar year* dollar thresholds for Chapter 31 program expenditures to a single Chapter 31 participant for purchases of services and products. Based on Task Force discussions with Regional Office Directors, VR&E Officers and other staff, there appear to be concerns about these thresholds.

- There are concerns that the \$25,000 threshold exceeds the current threshold review level that exists in the only other business line function that resides in all Regional Offices, the Compensation and Pension Program. In the C&P business line, any retroactive payment over \$25,000 must be referred to the RO Director for review and a fourth signature. The VR&E threshold levels address cumulative calendar year payments to a particular veteran, but do not address retroactive award payments.

This difference in threshold levels and review requirements may be one of the reasons why there appears to be confusion in the field concerning the specifics of these VR&E threshold levels.

- CWINRS does not provide report-out functionality to determine the total dollar amount of awards or payments made on behalf of a particular veteran. Presently, the invoice cost of a contracted service or purchased item is entered into CWINRS. Currently, VR&E payments are made through three systems – BDN, FMS, and by Credit Card. If credit card purchases are not entered into CWINRS, then individual veteran’s case expenditures will be erroneous. There needs to be a “single” payment system that enables tracking and reports to be made on expenditures. However, CWINRS does not provide an audit against the total cost entered. Actual expenditures for a specific program of service for a veteran can go well beyond the initial cost entered into the system without any management alerts, notification, or reviews that some threshold limit has been reached. Electronic and program functionality should be incorporated into CWINRS to require approval before an award or a payment is processed.

### **Program Control**

Since activation of the CWINRS software application in 2001, the VR&E staff has processed over 1,000,000 invoices for payment. Each invoice (payment invoice) includes the purchase of one or more vocational rehabilitation or counseling services (contracted counseling, testing, employment placement) or products (computers, tuition, books, etc). These 1,000,000 voucher transactions may represent several million individual purchase transactions.

VR&E has not established effective program control policies and procedures to document and analyze the number and type of services or products that are included in each invoice that is processed for payment. For example, VR&E does not know how many of a particular item or service (such as computers) have been procured for Chapter 31 beneficiaries. As previously discussed, the auditing of VR&E purchases of services and products amounts to ensuring that the total dollar amounts appearing on invoices are correct, not whether or not the services or items purchased are appropriate. Even though invoice level data to include the number and dollar value of payments is available on a case-by-case basis, the VR&E CO staff does not even routinely analyze this information to indicate procurement trends or assess the appropriateness of what is being procured. This information could potentially provide VR&E management with data to improve the quality of the program, training strategies, set policies and/or justify funding and legislative requirements. Further, there is limited data to characterize the labor effort associated with the processing of these transactions and the discrete actions necessary to plan and execute the purchase of individual services and products.

Additionally, CWINRS does not have the functionality to provide visibility and management of all discretely procured contractor services and products by veteran, counselor, and type of good or service. (See Recommendations

on Information Technology.) Functionality should be added to CWINRS on a priority basis to provide for tracking and analysis of discretely purchased services and products.

Until such time that this system capability does exist, VR&E should develop a standard work-around capability to document the specific purchase of services and products and provide on-going analysis of this data at the local and national levels. VBA may also want to consider initiating a contracted effort to analyze the historical payment and invoice transactions that are in CWINRS to establish a baseline of what has been procured to date. Such an effort would be a major administrative task, but unless this data is mined from existing invoices VR&E will have limited visibility of what has been procured and how to use this information to develop additional program control guidance on purchasing.

### **O-2 Central Office Organization and Facilities**

- Implement a new organizational structure for the VR&E CO organized under four Assistant Director positions – Counseling and Outreach Programs, Employment Programs, Rehabilitation Programs, Field Operations. (Near-Term; Priority)
- Create an Assistant for Program Integration position reporting to the Deputy Director. (Near-Term; Priority)
- Enhance current CO capacities for: (Near-Term; Priority)
  - o Management and Operational Analyses; Employment Services
  - o Staff Training and Professional Education; Contract Management
  - o Policy and Procedures; Quality Assurance
  - o Finance and Resource Management; Information Technology
  - o Administration of the Chapter 36 Program
  - o Data and program coordination with DoD, DOL, and other federal agencies involved with veterans small business and employment programs
- Create new Central Office capacities for: (Near-Term Planning; Mid-Term Implementation)
  - o Assistive Technology
  - o Veteran Rehabilitation and Employment Research, Development, and Planning
  - o Program Analysis and Evaluation; Project Management
  - o Field Operations; Disabled Transition Assistance Program (DTAP)
- Provide additional facilities for VR&E CO to improve productivity of current staff and for new staff. (Near-Term; Priority)

### **DISCUSSION – CENTRAL OFFICE RECOMMENDATIONS**

The key and pacing milestones to achieving successful vocational rehabilitation for veterans is to create a VR&E Central Office organization with capacities to develop and execute counseling, employment, and rehabilitation policies and programs for the 21st Century. To a large extent, the VR&E Service does not have the capacities and staffing essential for success. VBA should immediately take

action to enhance the capacities of the VR&E CO as the pacing action for other changes. The capacities of the VR&E Service CO should be increased first to improve the successful implementation of the recommendations proposed by the Task Force.

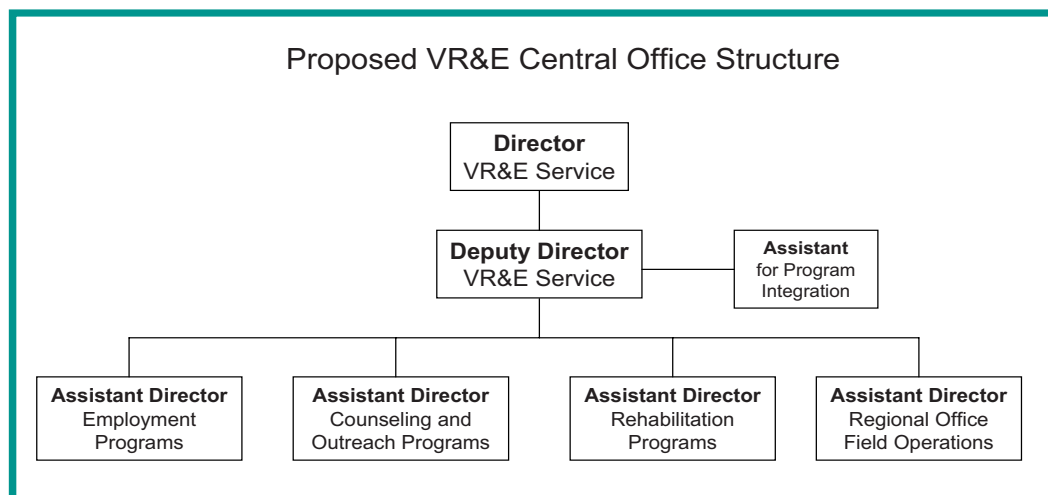
### Central Office Organization and Structure

In proposing a recommended organizational structure for the VR&E CO, the Task Force wanted to provide a structure that would facilitate direct line-of-sight responsibility and accountability for the key policy and program areas that comprise VR&E services. The key features of this structure include:

- Providing a highly visible focus on employment inside and outside VA to emphasize the singular importance of this mission.
- Aligning resources around VR&E's core functions.
- Returning VR&E to one of its roots – counseling – and providing visibility and structure to the Chapter 36 program.
- Recognizing the specialized nature of the various elements of the rehabilitation mission from research to the use of 21st Century technologies.
- Emphasizing Field Operations and the importance of efficient and effective use of VR&E's workforce at out-based locations. The Field Operations focus will also more closely align VR&E with VBA's other lines of business and provide for improved communications and coordination with the Office of Field Operations.
- Integrating the various support services that facilitate VR&E's core mission is essential for timely planning and successful execution of projects and initiatives to implement policies and programs. This approach will also enhance VR&E's ability to better communicate and advocate in VBA's resource allocation process.
- Partnering with VHA to further the goal of *One VA* and a continuum of care for veterans with service-related disabilities. (See Chapter 5.)

The CO organizational structure depicted in Exhibit 21 includes four assistant director positions. We recognize that this is a heavy structure. However, we believe that for the near-term this focus and specialization is essential to effectively control and manage the organization. At some point in the future VBA may want to consider a structure with three assistant directors.

The Task Force considered the advantages of out-basing CO functions. We believe such an approach, in the near-term, would be counter productive to achieving the level of discipline, integration and focus that is needed to effectively plan and manage change and operations. However, we believe that the effectiveness of the QA function would benefit from out-basing. VR&E CO should consider consolidating its QA staff at the same physical location as the C&P Star Team to improve coordination between C&P and VR&E. This approach would leverage C&P QA lessons learned and QA data capabilities to support VR&E's efforts to reinvigorate its QA program. Since the C&P and VR&E

**Exhibit 21**

business lines are the only service delivery programs that exist at all ROs, we believe such collocation would provide synergy benefiting both programs.

**Enhancing Current Organizational Capacities.** VR&E CO must also enhance current organizational capacities and invest in the creation of new CO capacities to operate effectively in the 21st Century. Creation of these capacities will require further design changes to the organization, additional staff, resources, and facility improvements.

As previously discussed, VR&E's internal capacities for management and other functions were eroded over the last 10 years. Other existing capacities have been constrained to the point that they are not sufficient to keep pace with demands. This is clearly the case with information technology, finance, contracting, and analysis capacities. For example, there is only one person remaining in VR&E who has the VR&E institutional memory on the logic and business rules for the DOOR and COIN TAR reporting system, work measurement, and other key data and performance systems. VR&E must enhance these key capacities:

- Management and Operational Analyses
- Employment Services
- Staff Training and Professional Education
- Contract Management
- Policy and Procedures
- Finance and Resource Management
- Information Technology
- Quality Assurance
- Chapter 36 Program Administration
- Data and program coordination with DoD, DOL and other federal agencies involved with veterans small business and employment programs

**Adding New Organizational Capacities.** VR&E's organizational capacities have not evolved to add the functions necessary to make it a 21st Century rehabilitation organization. VR&E must add new capacities to include:



- Assistive Technology
- Veteran Rehabilitation Research, Development, and Planning
- Veteran Employment Research and Program Development
- Program Analysis and Evaluation
- Project Management
- Field Operations
- Disabled Transition Assistance Program (DTAP)
- Functional Capacity Evaluation
- Coordination with State Departments of Vocational Rehabilitation and State Departments of Veterans Affairs

### **Facilities**

The current space allocated to VR&E CO is inadequate to sustain efficient and effective management operations of current staff and to facilitate group activities. The current space allocation will also not accommodate recommended staff increases and new staff capacities. Further, VR&E CO needs more dedicated and technology-equipped conference room capabilities and space to incorporate an assistive technology laboratory and a future employment center lab.

### **O-3 Central Office Staffing**

- Increase the current direct staffing level of the VR&E Central Office staff from 33 to a goal of about 55-60 to more appropriately reflect the level of resources needed to execute the mission of the VR&E Service and support new and required capacities. (Near-Term and Mid-Term)
- Relocate the VR&E Central Office positions that were out-based at the Regional Offices back to Central Office to improve staff effectiveness. Consider consolidating the VR&E Quality Review Team at the C&P Star Team location. (Near-Term and Mid-Term)
- Provide contractor support services for VR&E CO. Contractor support services should be prioritized for management support; operational, process, and requirements analysis; project management and integration. (Near-Term; Priority)

### **DISCUSSION – CENTRAL OFFICE STAFFING**

The current level of CO staffing allocated to VR&E (33) is inadequate to successfully execute the current mission. Additional staffing is required to enhance current organizational capacities and support the new capacities that must be added into the CO organization for it to be successful. The Task Force believes that the current level of 33 should be increased to a goal of about 55-60 excluding potential additions to enhance VR&E's Quality Review staff. (See Recommendation on Performance Measures and Quality Reviews.) The current VR&E CO FTE includes the Director, Deputy Director, and administrative support positions. It is clear from the Task Force's assessment of CO business operations that the current staff has not been as effective and productive as it could have been. Recent leadership changes in the VR&E CO will certainly improve this situation. However, productivity improvements are not expected to offset the need for additional CO staffing.

In assessing CO staffing needs, the Task Force conducted interviews with present and former CO staff members and considered the scope and volume of work. We also considered the allocation of FTE to other Washington DC. based VBA CO organizations and the unique aspects of the VR&E mission and service delivery network. For this assessment we used data from a September 30, 2003 COIN PAI P-38 Report that identifies the total number of VA employees. We used data from this report to compare the number of VR&E CO staff to that of the Education Service and Loan Guaranty Service. We selected these two program services for comparison purposes since they have about the same number of FTE and they also have a field structure. The relevant data from this report appears in Exhibit 22 and is based on the number of total employees.

Both Education and Loan Guaranty administer programs based on sets of objective rules. Face-to-face interaction with the veteran is not required to process these benefit applications. The nature of the Education and Loan Guaranty business lines and service delivery has allowed VBA to consolidate benefit processing and achieve reductions in FTE.

Additional staffing needs to be added now so the VR&E Service organization will have the resources to make the fundamental changes necessary to implement

VBA Business Line Staffing Levels			
	Central Office Staffing Levels	Field Staffing Levels	Processing and Service Delivery Structure
Education	49	656	4 Education Processing Centers, staff presence at most ROs
Loan Guaranty	94	838	9 Regional Loan Centers, 2 Eligibility Centers, staff presence at most ROs
VR&E	33	887	Processing and delivery of Chapter 31 services at 56 Regional Offices and 138 out-based sites

**Exhibit 22**

these recommendations and create the capacities required to be a successful organization. Clearly, new leadership and management actions can improve the productivity and effectiveness of the current staff. However, these gains will not offset the need for additional staff resources.

We suggest VBA provide VR&E 10 new positions as soon as possible and an additional 15-20 within 6-12 months. There is a critical, high priority need to provide new positions to revitalize management and operations analysis and support finance and contract management, training, process, and information technology requirements analysis. We also suggest that VBA provide priority funding for VR&E CO to procure contractor support services to bridge the gap with resources.

#### **O-4 Workforce Management**

- Reevaluate and update the March 2003 VR&E Workforce and Succession Plan with concrete actions and milestones to mitigate the risks cited in the plan. (Mid-Term)
- Develop and implement workforce productivity and staffing analyses to develop a set of analytical tools for estimating future workload, tasks, and labor hour requirements, staff sizing, and skill mix. (Mid-Term to Long-Term) (See Recommendation on Program Analysis and Evaluation.)

- Create Assistant VR&E Officer positions and a systematic and centrally-managed selection and training program for personnel to fill these positions. (Near-Term)
- Remove the freeze on hiring to fill all VR&E positions; change VBA policies so as not to constrain hiring for VR&E positions to local RO FTE ceilings. (Near-Term; Priority)
- Provide VR&E with additional and temporary FTE positions to facilitate early hiring and training to mitigate the service impacts of anticipated personnel attrition. (Near-Term and Mid-Term)
- Create new staff positions and add staff for an Employment Readiness Specialist (56 FTE) and a Marketing and Placement Specialist (56 FTE) to facilitate implementation of the five-track employment-driven service delivery system. (Near-Term to Long-Term) (See System in Chapter 4 and Job Descriptions in Appendix 12.)
- Transfer the 45 FTE Employment Specialist positions back to counseling positions. (Near-Term to Long-Term.)
- Create a new Independent Living Specialist position. (Near-Term to Long-Term) (See Job Description in Appendix 12.)
- Increase current field staffing levels to provide dedicated FTE to plan and implement VA's responsibilities in DTAP and execute a consistent, national DTAP program at all DoD installations and Military Treatment Facilities. (Mid-Term)
- Create and staff a new VR&E position at the RO for a contract/purchasing specialist and implement a training program for these staff in coordination with the VBA CFO and contract management staff. (Mid-Term) (See Recommendation on Workforce Management.)
- Relocate the VR&E Central Office staff that was out-based at the Regional Offices back to Central Office to improve staff effectiveness. (Near and Mid-Term) (See Recommendation on CO Staffing.)
- Consolidate the VR&E CO Quality Assurance (QA) staff and increase the size of the QA staff. (Near-Term) (See Recommendation on Performance Measures and Quality Review.)

## DISCUSSION – WORKFORCE MANAGEMENT

The Task Force reviewed VBA's Workforce and Succession Plan (March 2003) and interviewed CO and field staff to identify the major issues of concern and how these concerns are being addressed. We also reviewed the VR&E Resource Allocation Model used by the Office of Field Operations (OFO) to distribute FTE. VR&E CO was also responsive in providing additional information on the VR&E workforce for our assessment.

In October 2003, the VR&E field workforce of 903 was composed of 601 professional staff, 220 technical support staff and 82 management support staff. The primary focus of VR&E's March 2003 Workforce and Succession Plan was on the new professional staff position of Veterans Rehabilitation Counselor (VRC). VR&E CO created this new position by consolidating two professional positions,

Counseling Psychologists (CP) and Vocational Rehabilitation specialists (VRS). CP and VSR position reductions are being accomplished through attrition. VR&E CO estimates that 84 percent of CPs and 66 percent of VSRs will be retirement eligible and will be retire within the next five years.

### **VR&E CO Management of the Workforce**

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*“ The Task Force believes that the VR&E CO should take an active role in the management of the VR&E workforce.”*

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The Task Force believes that the VR&E CO should take an active role in the management of the VR&E workforce. We recommend that VBA and VR&E CO take several actions to improve VR&E CO's capacity to effectively manage the workforce:

- Provide greater policy and resource control of VR&E's FTE to the VR&E Service Director. VR&E

service delivery is fundamentally different than claims processing. The expertise to align FTE resources with the VR&E service delivery strategy resides in the VR&E CO. There should be a shared responsibility for FTE management between the Office of Field Operations and the VR&E CO.

- Reevaluate and update the March 2003 Workforce and Succession plan with concrete actions and milestones to mitigate the risk factors impacting the workforce.
- Conduct a workforce productivity and staffing analysis. This effort should deliver a new work measurement baseline and analytical model for relating workforce size and composition to caseloads and performance (process outputs and outcomes). (See Recommendation on Program Analysis and Evaluation.) This effort should also include development of a set of analytical tools for estimating future VR&E workload and workload drivers, task and labor hour requirements, staff sizing, and skill mix. We suggest that VR&E CO consult with the Department of Veterans Affairs Program Evaluation Service to formulate and carry out this long-term analysis activity. We also recommend that VR&E CO solicit the active participation of VBA's Orlando Training and Analysis Group in this effort.
- VR&E CO should create one or more Assistant VR&E Officer positions at the RO's (based on VR&E Division size) as a means to provide continuity and leadership for the VR&E program. VR&E CO should centrally manage the selection, training, and placement of Assistant VR&E Officers and VR&E Officers to achieve the best fit of capabilities to manage the VR&E service delivery system. This effort should include developing career broadening opportunities for those selected for these positions with C&P and VBA's other business lines.

### **New FTE Positions**

The Task Force made an estimate of the number of new FTE positions that VBA should consider adding to the VR&E workforce. The reasons for these increases are discussed in other sections of the report. We believe that these estimates may be reduced based on an actual Region by Region assessment of how the Task Force recommendations will be implemented. These estimates do not include

transferring 47 FTE Employment Specialist staff positions back to professional counseling positions. This recommendation does not require new FTE positions, and is discussed in Chapter 4. The Task Force strongly believes that these reclassified positions should remain in the VR&E field division structure.

In the area of Independent Living, the Task Force recommends creating specialized Independent Living positions, but has made no specific recommendations regarding the number of new FTE positions. The Task Force believes that the administration of the IL program requires specialized knowledge and skills in both the VR&E CO and in the Regional Offices, but believes that the specific number of new positions will be based on individual RO assessments. This recommendation is discussed further in Chapter 4.

The new FTE positions are:

VR&E Central Office Staff:	27
Employment Staff: (56 Employment Readiness Specialists; 56 Marketing/Placement Specialists)	112
VR&E Contracting/Purchasing Staff: (Actual number to be based on RO workload demands)	56
Quality Assurance Staff:	8
Total:	228

### **Current VR&E FTE Hiring Freeze**

As of the start of this Task Force, VR&E's field operations were being impacted by an earlier VBA decision to freeze hiring to fill VR&E staff positions. The Task Force understands this decision was made to deal with priority staffing issues in RO Veteran Service Centers so that VBA could remain within FTE ceiling constraints. However, this freeze came at a time in FY 2002 (and continues) when ROs were provided the flexibility to convert Readjustment Benefit funding from contractor support to buying new VR&E FTE. The theory was that funding to sustain these new Readjustment Benefit financed positions would come in the future from VBA's General Operating Expense budget. Some ROs were able to convert these funds to buy FTE before the freeze was imposed while others were not able to complete the hiring process.

As discussed later, the Task Force was unable to obtain data from VR&E CO on how many FTE positions are impacted by the freeze and how many total FTE positions were created through use of the Readjustment Benefit financing approach. However, based on our field visits we believe that the number of positions impacted by the freeze is having significant impact on selected ROs. Given the size of the VR&E workforce and the number of out-based service



delivery sites, such a freeze that impacts a small number of positions may have large service delivery impacts.

The Task Force recommends that VBA consider two actions to address this problem. First, VR&E CO, in coordination with VBA's Office of Field Operations, should determine the number of VR&E FTE positions being impacted by this freeze and the ROs where this freeze is having the most impact on service delivery. Secondly, VBA should provide policy and funding guidance to allow these VR&E positions to be filled on a priority basis and sustained.

### **Workforce Size and Composition**

As described earlier, the VR&E Service is in the midst of consolidating two staff positions that account for 67 percent of the VR&E field staff. This change will essentially replace a workforce composed of a mix of Counseling Psychologists (CP) with master's degrees and above and Vocational Rehabilitation Specialists (VRS) with undergraduate degrees and above. The new position, Vocational Rehabilitation Counselor (VBC), requires a minimum of a master's degree and experience in specialized areas. The VR&E field staff also includes some technical support and management/administrative staff.

### ***Workforce Size***

Based on our observations noted in this report, VR&E should be able to realize some field staff productivity improvements through better training, standardization, specialization, and improved management of the contracted workforce to deal with the increase in the number of Chapter 31 applicants. However, these productivity gains will not eliminate the need for additional VR&E field staff. The new five-track employment-driven service delivery system will also impact the current workforce. The Task Force recommends VBA consider several actions to deal with near-term and long-term VR&E workforce issues.

- Provide dedicated field FTE (or contract funding) positions to support a redesigned and centrally managed DTAP program. Currently, there are no dedicated VBA FTE positions allocated to the planning, execution, and management of this program. We make no specific recommendation on the size of this DTAP staff, but rather the size and mix of the staff should be based on the scope, content, and operational service delivery strategy for a redesigned DTAP program. FTE positions for VR&E CO management of the DTAP program are included in Recommendations on CO Organization and Staffing.
- Provide a pool of temporary FTE positions to facilitate early hiring and training of replacement VR&E staff in advance of attrition. Currently there is no overall strategy and master plan for how and when new VR&E staff will be acquired and trained. VBA's experience in dealing with the critical C&P workforce management issues clearly demonstrated the benefit of a comprehensive top down strategy and plan for hiring and training to mitigate the impacts of workforce attrition.

- Add 112 field FTE positions to VR&E to implement the recommended five-track employment-driven service delivery system. As discussed below, this includes 56 Marketing and Placement Specialist positions and 56 Employment Readiness Specialist positions. The Task Force based this preliminary estimate of new FTE positions on allocating two new positions to each of the 56 RO stations that have a reportable VR&E workload. This estimate will change as VR&E CO considers the myriad of factors that will lead to designing different service delivery field structures to implement the five-track process and the results of recommended pilot initiatives. These factors and associated service delivery options are discussed in Chapter 4.

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*“ Add 112 field FTE positions to VR&E to implement the recommended five-track employment-driven service delivery system.”*

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- Transfer VR&E’s 47 FTE Employment Specialist staff positions back to counseling positions; implement and integrate this change consistent with the strategy for acquisition of the 112 FTE new employment staff positions. At the time VR&E CO implemented its employment strategy, 47 professional FTE counseling staff positions were transferred to Employment Specialist staff positions. This resource allocation decision reduced the productivity of the VR&E professional labor force at a time when VR&E’s caseload was in excess of 200 per counselor and the number of Chapter 31 applicants was increasing.

### ***Workforce Composition***

There are five workforce composition issues that merit discussion:

- Consolidation of two positions to create the VRC position
- Additional support staff requirements
- Creation of two new employment staff positions
- Independent Living, and
- Potential needs for other specialized professional staff.

#### ***VRC Position***

Preliminary analysis of the VRC position by the VBA Training Analysis Group indicates the VRC position may now be responsible for 42 percent more tasks than either the CP or VRS positions. Our field interviews highlighted concerns about the assumptions used to make the decision to implement the case management concept. There were also concerns expressed in the field, as well as within the Task Force, that the VRC position description was written so narrowly in terms of academic and experience requirements that it may impact the organization’s capacity to hire new staff.

The Task Force encourages VR&E CO to take a fresh look at the assumptions driving the decision to consolidate these two positions. It is not clear to the Task Force that case management (one counselor managing all process activities for a veteran) is always an efficient and effective use of resources. This conclusion

is supported by comments from field staff and our direct observations of the dynamics of managing current high caseloads. This issue is discussed in more detailed in Recommendations on Process.

#### *Technical Support Staff*

The VR&E process seems to be more dependent on technical support staff than may be recognized. The internal VR&E RO process has become more complex over time and the current level and mix of support staff may not be adequate. This same observation was made about the C&P process in earlier studies and reports. Currently, the data is not there to justify increases in the size and composition of the support staff workforce. However, it is clear that the process generates a large volume of procurement purchases, invoices, payment vouchers, and contractor reports. The introduction of CWINRS created new requirements for data entry, report generation and analysis.

The Task Force encourages VR&E CO to analyze the utilization of the support staff and the workload drivers that are impacting this workforce. There may be opportunities to improve productivity of the support staff through work process changes, standardization, and training. The need for additional support staff should be evaluated as part of the overall workforce analysis effort recommended by the Task Force.

#### *Employment Staff*

The third area of concern relates to the skill set requirements for the new positions—Employment Readiness Specialist and Marketing and Placement Specialist—to support the redesigned five-track employment process proposed by the Task Force.

In the *VR&E Employment Specialist Pilot Initiative Report*, VR&E CO identified an array of qualifications and experience for the employment specialist position currently in the field. These criteria included what the Task Force concurs are characteristics commonly seen in the staff of successful private sector employment search and placement organizations. While VR&E CO stated these as qualification requirements, these requirements were not uniformly implemented by all the ROs that created employment specialists positions. ROs filled 14 employment specialist positions with Vocational Rehabilitation Specialists. This may explain some of the significant variations observed in the field concerning the role and function of the employment specialist.

The VR&E Service must take the initiative to implement a standardized set of qualifications for these two new employment positions and guide the hiring process. The knowledge, skills and abilities required to execute the VR&E employment program are fundamentally different from those of counselors and some individuals now filling employment specialists positions.

To facilitate this process, the Task Force created a draft set of qualifications (knowledge, skills and abilities) and requirements (work experience) for these two positions. This information appears in Appendix 12 to the report and can be used to create VBA position descriptions. Task Force members with extensive

experience in the range of public sector and private employment activities developed these qualifications and requirements descriptions.

#### *Independent Living (IL)*

The management of IL cases should be centralized under a new IL specialist position. A set of suggested qualifications and requirements for this position is included in Appendix 12. These qualifications are based on the view that the provision of IL services may be more effectively provided by a specialist with a social work background, preferably someone from the IL community.

This report does not make a recommendation to increase the size of the VR&E field staff to support this new position. The volume of IL cases (3 percent of the national VR&E workload) suggests that retraining selected VR&E staff, hiring new personnel based on attrition, use of specialized contractors and IL Centers may adequately address this need for now. The VR&E Service may also want to consider regional based IL specialist service delivery strategies to support large geographical areas that have multiple ROs with small IL caseloads. The question of additional IL staffing should be revisited based on the results of an IL demand study.

#### *Other Specialized Staff*

It is likely that the redesign of the VR&E employment-driven service delivery system, introduction of Functional Capacity Evaluation (FCE) and other changes to configure and align VR&E to be effective in the 21st Century will create the need to add to the mix of skill sets in the VR&E Service. For example, the introduction of FCE into the process may generate requirements for clinical and technical skills. There may also be a need to add new skills to facilitate services to the growing number of PTSD veterans seeking service. VR&E must be positioned to take advantage of the rapid advance of assistive technologies to facilitate job accommodations particularly in the knowledge-based economy. The Task Force encourages VR&E CO to think outside the boundaries of the current counseling paradigm in conducting the workforce analysis recommended by the Task Force to ensure that all skill set needs are considered.

## **WORK PROCESS RECOMMENDATIONS**

### **WP-1 Workload Management**

- Implement a VR&E Service CO process for visibility and management of the national VR&E workload to include an inventory management system and setting of consistent, nationwide priorities, and strategies for workload management. (Near-Term to Mid-Term)
- Streamline and standardize the scope and content for counselor case file documentation to include the use of the Needs Assessment Inventory. (Near-Term to Mid-Term)
- Provide for electronic transcription capabilities to facilitate more efficient use of available counselor resources through voice activated software and/or the use of transcription services. (Near-Term)
- Develop national and local RO forecasts of Chapter 31 veterans exiting rehabilitation and entering job ready status in FY 2004 (and beyond as necessary) and develop interim strategies and plans to more effectively

manage this population of veterans until the Five-Track Employment Model is fully implemented. (Near-Term)

- Initiate a VR&E Service CO led nationwide project using contractors to follow-up with Chapter 31 veterans in interrupted or discontinued status and for tracking of veteran employment status. (Near-Term to Mid-Term)

## **DISCUSSION – WORKLOAD MANAGEMENT**

Based on Task Force members' interviews with VR&E Service CO staff and field visits, it is clear that the VR&E Service CO has not been on top of the growing VR&E workload problem. As previously discussed in this report, the symptoms of a process under great stress are evident: significant increases in the number of Chapter 31 applicants and participants, high interrupted and discontinued rates, and uneven distribution of counselor case loads. Task Force fact-finding activities did not identify activities at the CO and in the field that are similar to inventory and workload management processes that have been effective in managing the C&P and other VBA business line operations. In addition to the recommendations above and discussed below, this report also identifies other recommendations that will improve management of the workload.

### **National Workload Strategy**

The Task Force believes that as a first step the VR&E Service CO should develop an orientation towards management of field operations. The proposed VR&E Service CO organization structure proposed in a previous recommendation includes an organizational element with responsibility and authority for VR&E filed operations. This organizational focus must be implemented through the development of capabilities (policies, procedures, data collection, analysis, and tools) to provide visibility and management of the national VR&E workload. These tools should include capabilities for inventory management and setting of consistent, nationwide priorities, and strategies for workload management.

OFO and C&P Service have made significant strides in improving their capacities for workload management and implementing consistent, nationwide priorities. We suggest that the VR&E Service CO enlist the aid of the OFO and the C&P Service to develop the capabilities necessary to implement a nationwide workload visibility and management system.

### **Streamline and Standardize Case Documentation**

One of the most consistent field complaints to the Task Force concerned the hands-on labor intensive nature of the work process. There appear to be three areas of concern: the impact of the case management concept, CWINRS data entry requirements, and the need to standardize the paper work.

As discussed in a subsequent recommendation, the implementation of the case management concept made each counselor responsible for the life cycle of activities for individual veterans in the program. This may involve interacting with the veteran multiple times over many years. Given the requirements to document assessments, rehabilitation plans, changes, and subsequent evaluations the management of case documentation can become a major barrier to counselor efficiency. Our fact-finding efforts did not identify any analyses that were done concerning the impact of case management documentation



before implementation of the concept. It was not possible for the Task Force to make a judgment as to the appropriateness of the current way case information is documented. However, it seems reasonable to conclude based on our field observations and case load factors that the VR&E Service should determine the actual scope and content of what is meant by case documentation and then mandate a standard. The objective of this effort should be to streamline the scope and content of documentation required, not increase it.

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*“ We suggest that the VR&E Service CO enlist the aid of the OFO and the C&P Service to develop the capabilities necessary to implement a nationwide workload visibility and management system.”*

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Recommendations that appear later in this section of the report address a number of CWINRS issues.

In the context of case documentation, the introduction of CWINRS increased the amount of “touch labor” work required by the counselors. Task Force discussions with VR&E Service staff responsible for CWINRS did not indicate the “man-machine” interface in terms of usability was a primary consideration in the design of CWINRS. As discussed later, the Task Force found some deficiencies in the training that accompanied the introduction of CWINRS. This situation may have contributed to some of the frustration that exists in the field concerning the use of the system and our later recommendations will address the need for better training. In the meantime, the VR&E Service should begin an effort to carefully look at how counselors actually use CWINRS and how it is integrated into the process in terms of who (which VR&E specialist) actually does data entry operations. This information should be used to partition work to perhaps improve efficiency of operations and more properly align data entry to the most appropriate VR&E specialist.

Inconsistency is evident in the administration of the VR&E Program. This has also been evident in the variety of locally generated forms and documents used to administer the program. The Inventory Needs Assessment worksheet is an example of one of the problems contributing to inefficiency in the process. This worksheet was developed by the VR&E Service CO and provided to the field for implementation and use. The worksheet is an efficient method to rapidly collect data and information from the veteran to facilitate the initial interview process. Many field offices did not implement the use of the form. Some offices that do use it do not allow the veteran to fill out the form thus forcing the counselor to accomplish additional work which creates more frustration on the part of the counselor. To compound matters, there are no provisions to electronically capture the data on this worksheet for future use or incorporation into CWINRS. Implementation of an automated on-line worksheet would certainly speed the process. This example is presented to highlight the need for the VR&E Service to analyze the work it does in terms of its consequences and its overall integration into the process.

### **Use of Electronic Transcription Services**

A near-term option to improve efficiency and reduce counselor word processing activities might include the use of voice activated software or the use of a transcription service. Task Force interviews indicated that both options had

been explored by staff in several local offices, but there had been no concerted VR&E wide effort to implement such a national capability. Transcription services have been widely used in the past within the VA community and the Task Force encourages the VR&E Service to consider both options at the earliest possible date.

### **Job Ready Status Workload**

At the time of Task Force fact-finding visits to the field, there were approximately 54,000 veterans in a Chapter 31 plan of rehabilitation and ready for employment. During visits to the field, the Task Force found that local VR&E offices did not use available data to forecast the population of veterans exiting rehabilitation, their degree programs, colleges, and planned career field and then use this population data to develop employment strategies and plans. We also found that the VR&E Service CO did not look at such national data and trends. In no case could we find the use of such data. It makes little sense to the Task Force to place veterans in a long period of rehabilitation and then not forecast and look strategically at the alignment of the job market and the skills and expectations of those being rehabilitated.

The implementation of the Five-Track Employment Process and its associated principals will address this problem along with leadership and increased management attention. Such data should also be used as part of the VR&E Service and local RO strategic planning to ensure organizational priorities, resources, and programmatic guidance are properly targeted to optimize a veteran's employment goals. Until such time as the Five-Track Process is fully implemented, the VR&E Service must develop interim policies and procedures to provide top-level visibility and strategic management of this population.

### **Interrupted and Discontinued Cases**

The large number of interrupted cases (11,497 as of August 31, 2003) presents significant challenges to the VR&E staff. As previously discussed, there has not been a concerted effort to research the interrupted and discontinued case problem and then to design and implement interventions to mitigate the risk of

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*"The large number of interrupted cases (11,497 as of August 31, 2003) presents significant challenges to the VR&E staff."*

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a veteran dropping out temporarily or permanently from the program. Unless the number of interrupted and discontinued cases can be reduced there may be an inherent ceiling on the success rate of the program. The Task Force recommends that the VR&E Service take two actions to deal with this problem.

- Initiate a funded project with the goal of researching the interrupted and discontinued case problem and then using this data and information to design interventions to mitigate the risks of veterans either temporarily or permanently dropping out of the program. These interventions should be formally tested and evaluated to determine their value and then those with high payoff should be implemented as best practices.
- Initiate a strategy to use trained contractors to routinely follow-up and provide case management services to those in interrupted and discontinued status. This concept might also be used to provide oversight and contact with those in school.

**WP-2 Contract Services**

- Continue to use contract services to supplement the VR&E workforce in providing counseling, employment, and rehabilitation services. (Near-Term to Long-Term)
- Revise the VBA Office of Field Operations resource allocation model to base RO funding for contract services on local estimates of the volume and types of services and the actual costs of services rather than the RO's percentage of the national workload. (Near-Term; Priority)
- Revise the current VR&E National Contract Statement of Work to provide definitions of the specific content of each service to be provided; standardize paper and electronic formats for submission of all contractor-developed evaluations, plans, case narratives, counseling or other requirements; establish a performance management and quality review process; and establish a VR&E contract service provider training and accreditation program. (Near-Term)
- Develop a contract management training program for all VR&E Officers, supervisors, CO staff, and those VR&E field staff with direct responsibility for contract administration and supervision of contract services. (Near-Term)
- Create and staff a new VR&E position at the RO for a contract/purchasing specialist and implement a training program for these staff in coordination with the VBA CFO and contract management staff. (Mid-Term)

**DISCUSSION – CONTRACT SERVICES**

VR&E uses an extensive network of local and national contractors to supplement its FTE workforce in delivering services to program applicants and recipients. This contractor network provides a range of services to include specialized testing and evaluations, Chapter 36 career and transition counseling, and employment services such as interviewing skills, resume development, job search, and job placement. This assessment and recommendations concerning contract services are based on a review of the rationale and acquisition strategy for the national contract program, the statement of work for this contract, contract proposals and pricing and discussions with contractors and VR&E staff.

**Benefits of Contract Services Strategy**

There is great variation across the ROs in terms of the use and management of contract services. There is also a view in some ROs that VR&E should reduce its dependence on contract services. The Task Force believes that the use of contract services is an essential element of VR&E's service delivery strategy and that this strategy should be continued. The Task Force believes that there are several key benefits of this contract services strategy. This strategy:

- Provides eligible veterans with community-based access to counseling and other services. Timely access is a key success factor in service delivery to veterans in remote and other areas not near ROs and for veterans who cannot easily visit the RO for such services. The use of contractors thus provides a key capability for outreach.

- Increases VR&E's workforce surge capacity to rapidly respond to workload increases and changes in the types of services required.
- Gives VR&E an "insurance policy" to mitigate the productivity impacts of workforce attrition due to forecasted retirements.
- Allows VR&E staff access to specialized services that would not normally be available in most ROs. It is not feasible and affordable to provide every VR&E office with FTE to provide every type of core and specialized services.
- Facilitates execution of mission areas such as DTAP and Independent Living that were not resourced with additional staff. VR&E has used contractors to supplement its workforce to execute new programs that have been added to its mission without an increase in staff.

The Task Force was impressed with the dedication and commitment of the contract counselors and specialists we interviewed. These contract counselors also expressed their desire to become more integrated into VR&E business operations and services. We believe that the problems associated with effectively using contract services relate to the VR&E CO's limited capacities to effectively plan and manage the National Acquisition Contract, the current basis for allocation of contract services funding to the ROs and the need to create organizational capacities and standards for improved contract management and supervision of contract service providers.

#### **VR&E National Acquisition Contract**

In FY 2001, the VR&E CO implemented a national contract strategy to qualify vendors to provide 17 different types of services that could be provided to the ROs. This pool of vendors includes independent contractors, small businesses and large regional, and national firms specializing in a range of rehabilitation and employment services. The objective of this strategy was to standardize the provision of services across all VR&E offices, supplement and complement existing VR&E FTE, and to achieve compliance with procurement requirements. Prior to this initiative, each RO developed their own statement of work for contract services and administered their own contracts.

There are several deficiencies in the implementation of this national contract strategy. The statement of work does not provide specific and detailed standards of performance for each contract service in terms of work content and documentation. The Task Force heard at several ROs that the provisions of the national contract were significantly less robust than the RO contracts that had been previously in place. Discussions with contractors also indicated that there were various interpretations about the work content of each contract service. We also reviewed the proposed contract prices for services on the National Contract. The prices in the contract vary so greatly from contractor to contractor and by region as to be a concern. It did not appear that the VR&E Service CO staff had made any effort to reconcile these differences or modify the contract to ensure that the actual work content for a specific contract service was the same for all contractors. For example, VR&E CO does not collect and analyze data on the number of actual contract services performed by each contractor and for each Chapter 31 beneficiary.

The Task Force is also concerned that VR&E CO did not fully use the inherent capabilities and leverage that regional and national contractors could provide particularly regarding employment services. Regional and national contractors possess infrastructure capabilities in terms of management, technology, established networks of professional staff, institutional quality, and performance measurement systems. We believe that VR&E CO should consider using these capabilities to achieve a more systematic process and outcomes.

The VR&E Service should consider several actions to improve the management and execution of the current National Acquisition Contract.

- Require standardized formats and media for all deliverable evaluations, assessments, test results, and records of counseling.
- Implement detailed performance standards for contracted services so that contractors know what is expected of them. This should include development of appropriate process and outcome performance measures for contract services. Specify best practices to standardize the scope and details of work for each service.
- Establish a mandatory accreditation and training program to ensure that all VR&E contract service providers nationwide have the knowledge and abilities to perform consistently to a set of best practices and performance standards for each contracted service. This should also include knowledge of veteran benefits, key regulations and policies, and the ability to provide information to enable referrals to appropriate VA resources.

To the veteran, the person who is providing them assistance is a “VA person.” How these providers perform in the eyes of the veteran is a critical element in determining the veteran’s perception of VA. The goal of VBA should be to train and manage the provider workforce in such a way that the providers are fully integrated into the VR&E process and their participation is seamless to the veteran and the process.

### **Capacities for Improved Management of Contract Services**

Management of the range of contract activities (services and purchase of goods and products) has not been a strength of the VR&E CO. As discussed in the section of the report dealing with Financial and Program Controls, VR&E CO has not created the processes and performance measures necessary to effectively exercise oversight of the volume and complexity of contract activities. The issues associated with the National Acquisition Contract provide additional evidence of these capacity shortfalls. At the RO level, the volume and the complexity of VR&E contract services and associated financial transactions are part of the workload that is not readily visible and is not accounted for in reportable workload metrics. The decision to transfer the voucher audit function back to the RO Finance Division supports observations about the complexity and capacity issues associated with this workload.

The Task Force recommends that VBA and VR&E CO implement two recommendations to increase the capacity necessary to more effectively manage contract and associated procurement activities.



1) Develop an initial and follow-on contract management and contractor management training program for all VR&E Officers, supervisors, CO staff, and those VR&E field staff with direct responsibility for contract activities. Field interviews indicated that in the past some efforts had been made to provide some level of contracting officer technical representative (COTR) training. However, our impression is that this training was not comprehensive and field staff felt that they needed additional training opportunities and that this effort should be part of a continuous contract management training program.

2) Create and staff a new VR&E position at ROs for a contract/purchasing specialist at each RO and implement a training program for these staff in coordination with VBA CFO and contract management staff. The volume of procurement actions being initiated by VR&E counselors and processed through CWINRS requires trained, experienced, and dedicated staff to manage procurement actions and associated financial activities on the VR&E side of the process.

Today, these actions and activities are not standardized across VR&E offices. As the voucher audit function is transferred back to RO Finance Divisions, VR&E staff in coordination with the VBA CFO should examine the VR&E technical and process requirements for purchasing and associated activities to determine the knowledge, skill and ability requirements to perform this work. Dedicated FTE should be provided to support these critical activities. Clearly, not all ROs generate the volume of work to justify additional and dedicated FTE positions. As a result, the VR&E Service and OFO should work together to develop and implement regional approaches to improve the management of these activities.

During site visits to Regional Offices, the Task Force asked questions about different aspects of contract management and oversight. Subsequently, the Task Force requested the Office of the VA Inspector General to review the award and pricing of contracts for evaluation, case management, and employment services. The IG was asked to evaluate contract award and administration procedures, reasonableness of prices paid, and adequacy of internal controls. The Office of the Inspector General provided VBA leadership with an exit briefing in February 2004. Overall, the preliminary IG findings support the Task Force conclusions that VBA should give focus to improving contract management and oversight.

### **WP-3 Case Management and Specialization**

- Change the current VR&E case management model to a model based on specialization of work processes and the workforce. (Mid-Term)
- Provide RO VR&E staffs maximum flexibility to specialize their staff resources. (Near-Term)

### **DISCUSSION – CASE MANAGEMENT AND SPECIALIZATION**

In 1998, VR&E merged the work tasks of counseling psychologists and rehabilitation specialists into a new position called vocational rehabilitation counselor. In 2001, VR&E adopted a case management organizational and process model that assumed each vocational rehabilitation counselor could perform all the VR&E tasks necessary from beginning to end for a veteran. The life cycle of these tasks could extend over a two to four year calendar period of time or potentially cover five or more fiscal years.

Prior to implementation of this model, VR&E staff at each RO specialized in certain tasks. While there was some overlap of duties, the roles of the staff in these two positions were distinct. For example, counseling psychologists determined veteran eligibility and entitlement to benefits and performed the initial evaluations and assessments on veterans. Based on these evaluations and assessments, the counseling psychologists developed a rehabilitation plan tailored for each veteran. These plans were then passed to a vocational rehabilitation specialist to implement the plan and provide on-going assistance to the veteran during the implementation period. These specialists were organized around educational, training, and other types of rehabilitation facilities. Each specialist managed all veterans who attended a specific institution. This approach was viewed as efficient and fostered the development of long-term relationships between VR&E rehabilitation specialists and institutions of higher learning. The counselor and specialists worked as a team to provide interventions as necessary to facilitate successful rehabilitation.

Interviews with VR&E field and supervisory staff and a review of the available documentation on the case management pilot project indicate that these two policy decisions have not yet proven to be effective and efficient for the workforce. These two changes occurred at a time when the VR&E workload was increasing and essentially impacted the available number of labor hours to work cases. Task Force members with experience in social service delivery suggested that this strategy has not been demonstrated to be more effective or efficient even in an unconstrained resource environment. This experience also suggests that the case management strategy requires more FTE to implement and sustain than a specialization process strategy.

The infeasibility of combining these positions is supported by preliminary analysis performed by the VBA Training Analysis and Development Group in Orlando. Their work indicates that the VRC position is now responsible for 42 percent more tasks than either the CP or VRS positions. This estimate is based on an assessment of only 13 percent of the total estimated work tasks assumed for the VRC position. As a result of the limitations on the analysis, the actual VRC job could contain as much as 170 percent more tasks than either the CP or VRS jobs. These estimates also do not account for other specialized tasks such as Independent Living, DTAP, assistive technology, contract management, contract services, procurement, and financial management.

Given the current VR&E workload and the potential for it to increase, continuation of the case management concept for all veterans in the program may not be the best use of resources nor provide the ability to deal with the growing workload. The VR&E Service should reconsider the decision to implement the case management concept and provide flexibility to VR&E Officers to specialize their workforce. It is important to emphasize that VR&E employees in all positions, whether combined into a VRC position or separated into a specialist position, should still be held accountable for successful rehabilitation outcomes.

**WP-4 Priority Service at VHA**

- Implement a system within VHA and VBA to provide priority health care-related services to Chapter 31 program participants. (Near-Term)

**DISCUSSION – PRIORITY SERVICE AT VHA**

Annually, the VR&E field staff submits about 15,000 requests to VHA facilities for Chapter 31 recipients who need a variety of clinical and support services.

The number of Form 8861 requests to VHA for Chapter 31 veterans is only a

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*“The VR&E Service should reconsider the decision to implement the case management concept and provide flexibility to VR&E Officers to specialize their workforce.”*

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small fraction of the total annual number of annual services provided by VHA. However, these Chapter 31 veterans are typically in a plan of rehabilitation or ready to move into employment. The timely delivery of these services is therefore critical to preclude the interruption of rehabilitation. Currently, VR&E does not capture data or information on the nature of these service requests, timeliness, service outcomes, and the number of services contracted-out by VR&E

because of VHA timeliness and service issues. However, during our interviews with VR&E field staff the issue of VHA timeliness in providing services was consistently raised as a major problem. The VR&E Service and VHA should collaborate on developing a priority system for VHA providing Chapter 31 services. (See Performance Measures and Information Technology.)

On January 2, 2004, the Secretary of Veterans Affairs issued a directive that all veterans with service-connected medical conditions will receive priority access to health care from the Department. This new directive provides that all veterans requiring care for a service-connected disability – regardless of the extent of their injury – must be scheduled for a primary care evaluation within 30 days of their request for care. If a VA facility is unable to schedule an appointment within 30 days, the facility must arrange for care at another VA facility, at a contract facility, or through a sharing agreement. The directive does not apply to care for medical problems not related to a service-connected disability.

Based on the assumption that some Chapter 31 participants may have non-service disabilities that could impact their rehabilitation plan, it is recommended that VHA and VBA develop a mutual policy statement regarding the provision of health care services to veterans who are participating in Chapter 31. A system to provide priority health care related services to Chapter 31 program participants should be in compliance with applicable laws and regulations that govern the Chapter 31 program.

**WP-5 Functional Capacity Evaluation (FCE)**

- Implement Functional Capacity Evaluation as a key process in a strategic redesign of the 21st Century Veteran Counseling, Employment, and Rehabilitation Program. (Long-Term)
- Design and implement pilot FCE projects as a first step toward implementation; consider co-locating this project office with the VBA C&P Exam Project at Nashville to leverage VBA resources program and technical capabilities. (Near-Term; Priority)

## DISCUSSION – FUNCTIONAL CAPACITY EVALUATION

Functional Capacity Evaluation (FCE) is a mature technology (knowledge, systems and procedures) that is being used in many settings (workers' compensation, disability insurance programs, etc.) to provide a systematic method of measuring a person's ability to perform meaningful tasks on a safe and reliable basis. For example, the VA Medical Center in Tampa now uses one type of FCE technology to support employee and veteran evaluations.

An FCE essentially establishes a clearer understanding of the impact of an injury or illness on someone's ability to function in work related activities and in daily living. FCEs are therefore ability-based in design and focus on the impact of an impairment on a person's functional capabilities, something that often cannot be measured in clinical terms. FCE technology is also being used to establish the extent of a disability since a disability rating does not provide an appropriate index of the residual abilities of a person to perform certain types of work activities. For this reason, FCE technology is ideally suited to facilitate assessment of rehabilitation potential and employment suitability. It is these applications of FCE technology that make FCE a critical 21st Century tool for VR&E.

The current VA disability process does not provide veterans and their VR&E counselors with the data and information necessary to understand the residual abilities of the veteran to perform certain types of work. Disability determinations typically focus on the negative aspects of a veteran's circumstances, that is, trying to quantify a veteran's pain or level of dysfunction. The disability determination process sends a steady "drum-beat" of messages to the veteran about what they cannot do. Data and information from an FCE shifts this focus from the negative diagnosis and disability message to a positive rehabilitation message of what the veteran *can* do by focusing on how well the veteran can function given the level of pain or dysfunction. This positive focus on abilities makes FCE technology invaluable to the vocational rehabilitation counselor and veteran in understanding how these abilities can be used for more successful near and long-term career planning and setting and achieving employment goals.

Introduction of the FCE early in the process can also establish an abilities baseline for the veteran to assess how the veteran's abilities change over time. This comparative information can be essential to achieving better career planning and employment outcomes given the age of many veterans seeking initial and repeat VR&E assistance and the dynamic nature of the work environment. Today, a veteran receives a discharge physical exam or a VA physical exam to support initial Compensation and Pension (C&P) disability determinations and subsequent exams provide comparative data to support further C&P SCD decisions. However, the veteran does not receive any information to make informed career and employment decisions based on their abilities at the time of the initial SCD decision, at the time of initial and repeat application for Chapter 31 benefits or when an increase in SCD benefits are requested. In some cases, VR&E counselors may not have access to even a contemporary physical exam for those veterans who filled a C&P claim in the past.

Ideally, all veterans should receive data and information on their residual abilities from an FCE as part of the career transition, planning, discharge, disability determination, and vocational rehabilitation processes. The disability compensation program is designed in part to recognize the life cycle impacts of a veteran's disabilities by providing monetary benefits. However, DoD and VA do not provide veterans with information on their baseline residual abilities given their SCD status and prospectively, how these abilities will change over the veteran's life cycle. If veterans were provided this information, they would be informed to make better decisions about career planning and employment that would result in more efficient and effective rehabilitation and employment processes with more successful outcomes.

The Task Force recommends that VA adopt FCE technology as an integral part of the VR&E process. Given the long-term organizational, resource and process consequences of this enhancement, VBA should consider initiating this effort with a Pilot Project beginning in FY 2004. The goals of this pilot project should be to tailor the off-the-shelf technology (systems, knowledge and protocols) into an operational capability for the VA environment that can be implemented nationwide. This Pilot Project should also address the criteria for use of FCEs and implementation planning to rollout this capability (resources, training, policies and procedures, workforce, etc) across all Regional Offices and coordination with VHA hospital based FCE plans and capabilities.

VBA may want to consider co-locating the Pilot Project Office with the Compensation & Pension Examination Project (CPEP) Office in Nashville to leverage program, on-going contract and technical resources. CPEP is well situated to actively participate with health and administrative experts in a FCE pilot. CPEP's experiences in working with the two VA administrations, quality improvement processes, expertise in electronic exam request, fulfillment, and return processes could significantly contribute to the rapid implementation of a successful prototype FCE program. Based on preliminary discussions, CPEP would use existing electronic processes and infrastructure (e.g. CAPRI, AMIE and VistA) combined with electronic templates.

This approach will also facilitate long-term integration of the FCE with the C&P and discharge physical examination process. VBA may also want to consider establishing a relationship with the Naval Health Research Center in San Diego to leverage their on-going applied FCE research and lab activities as well capitalize on the San Diego RO's excellent VR&E DTAP program to develop a fast track early pilot test on discharging Navy personnel applying for Chapter 31 benefits.

#### **WP-6 Disabled Transition Assistance Program (DTAP)**

- Assign primary responsibility for the planning and administration of VA's responsibilities the DTAP program within VBA to the VR&E Service and designate a DTAP Manager. (Near-Term)
- Set goals and measures of success to improve the administration of VA's responsibilities in TAP and DTAP. (Near-Term)



- Develop standardized information briefings and materials to ensure service members are provided comprehensive counseling that is consistently delivered. (Mid-Term)
- Establish a program with the DoD to deliver DTAP services at every Military Treatment Facility using VBA personnel or trained contractors. (Mid-Term to Long-Term)
- Provide dedicated funding to support the administration of DTAP. (Near-Term)

## DISCUSSION – DTAP

Improved administration of VA's part of DTAP is a critical factor for the success of the redesigned VR&E service delivery system. The Task Force believes that VBA's corporate goal should be to focus on the successful transition and employment of disabled veterans. This means that the end VBA goal should not be processing a claim. Processing a claim is one of the means to facilitate accomplishing the goal.

Interviews with VBA staff suggest that the TAP/DTAP mission has not enjoyed a high priority within the ROs and the VR&E organization. There is no dedicated staff or funding for TAP/DTAP. In VBA's current outreach scenario, a Compensation and Pension (C&P) staff member makes contact with a disabled service member in a treatment facility and then may refer the service member to VR&E for DTAP services. These C&P staff members are not trained in counseling or dealing with persons who have disabilities. Their focus is on filing a disability claim. In this process, DTAP could play a critical role in focusing the VBA process and the disabled service member from the start on the ultimate goal of employment if VR&E staff were the first VBA representative to contact the service member.

Task Force interviews with field staff indicate that the DTAP program is not consistently administered across the nation. For example, the VR&E Service has not synthesized, distributed, and mandated a set of best practice DTAP protocols and information. In San Diego, a contractor to VR&E has developed what appeared to the Task Force to be a comprehensive and much in demand DTAP presentation, but this information has not been used to improve the content and presentation of DTAP organization wide. In the Washington, DC VR&E Division office, a contractor is used to do DTAP outreach at Military Treatment Facilities, but they have not had the benefit of the program in San Diego. Some VR&E Divisions do not appear to have DTAP capabilities.

Leadership and responsibility for administration of the DTAP Program must be delegated and accountability imposed within the VR&E Service CO and in the field. Leadership of the program also involves setting clear goals for the program and establishing measures of success to determine the near and long-term benefits of the program in improving the decisions made by disabled veterans and the outcomes of the services delivered to them.

As discussed in Recommendations on Eligibility and Entitlement, those service members being medically discharged should be automatically entitled to VR&E services. Consistent with this recommendation, and the need for VR&E services, the VR&E Service should develop and implement a service delivery strategy and plan to provide DTAP counseling at every DoD Military Treatment Facility.

This does not mean that the VR&E Service must permanently assign staff to each

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*“ Leadership and responsibility for administration of the DTAP Program must be delegated and accountability imposed within the VR&E Service CO and in the field.”*

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facility. Rather, the VR&E Service should work with DoD to establish a relationship with each facility to increase the visibility of the program and provide a means to deliver DTAP services. This may include using contractors or VR&E staff on a full time or part time basis as required.

It is essential that VBA give visibility and priority to the TAP/DTAP mission by providing dedicated

funding. As a first step in this process, VBA may wish to consider developing a strategic plan for TAP/DTAP and using that information to identify funding requirements.

## INTEGRATING CAPACITY RECOMMENDATIONS

### IC-1 Regulations and Manuals

- Work with General Counsel to publish updated Chapter 31 regulations consistent with the new Five-Track Employment Process and the integrated service delivery system within 9 months of the date of the VR&E Task Force Report. (Mid-Term)
- Implement a change management process to control and integrate the various VR&E Service CO and field initiatives now underway to make changes in the process, regulations, manuals, policies, and technology functionality for administering the VR&E Program. (Near-Term to Mid-Term)
- Impose communications discipline within the VR&E Service CO and for timely response to field requests for guidance. (Near-Term)
- Update the VR&E Program baseline of regulations, manuals, and policies through an integrated change control process to be consistent with the new five-track service delivery system and the recommendations of the Task Force. (Mid-Term to Long-Term)

## DISCUSSION – REGULATIONS AND MANUALS

At the time the Task Force convened, the VR&E Service had drafted changes to the VR&E regulations and forwarded these changes to the Office of the VA General Counsel for review. Task Force interviews with VR&E Service CO staff and a review of available documentation suggests a confusing situation.

One of the keys to achieving consistency in administration of a program is to have a well integrated set of current regulations, manuals, policy directives, and work processes where the system wide impact of changes are assessed before they are implemented. Once the decision is made to implement the change, the implementation impacts of the change are managed through an integrated project management process.

Using this model, discussions with VR&E Service CO staff did not indicate that the new draft regulations followed this process. It appears that the VR&E Service has used a self-directed team approach for such activities and that the impacts of these changes have not been well assessed or integrated with other initiatives to ensure they are consistent. Discussions with staff did not provide information on how these proposed changes related to the VR&E manual, the work process, technology functionality, or resources. Further, it was not clear that the implementation of these regulatory changes had been planned.

The Task Force was also concerned about the number of different analysis efforts of the VR&E “as is” work process that were underway and not integrated. For example, the VA CIO had recently completed a contract analysis of the VR&E work process to support a VA architecture analysis project. This analysis made assumptions about VR&E’s work processes and FTE requirements as well as the knowledge, skill, and abilities required to perform these processes. However, VBA’s Technical Training and Evaluation Group is the organization that has the expertise to support task and skill analyses was unaware of this effort. At about the same time, another information technology effort this time led by VBA was beginning to document the VR&E work process.

These and other activities have been pursued as independent projects and there has been no technical and programmatic integration of these projects. The Task Force was unable to determine who within the VR&E Service had the management responsibility for integrating these various activities.

VR&E CO has limited capacities to “stay-on-top” of these projects to ensure their integration. There appear to be multiple baselines of business process assumptions being used to make decisions and develop capabilities but no one has validated the results of these analyses and ensured the integration of the associated technical work and products.

The Task Force also heard repeated criticisms from the field about the untimely VR&E Service CO response to field queries. The persistent nature of these comments also raised concerns among field staff about the knowledge and abilities of the CO staff.

The management of the various initiatives, projects, and communications impacting VR&E’s regulations, manuals, policies, and initiatives appear to be fragmented and uncoordinated. In light of this situation, the VR&E Service should consider several actions.

- The VR&E Service should implement a change management and integration process to assess the impacts of changes on regulations, manuals, technology, functionality, work processes, and training before decisions are made and to ensure proper integration and planning of change. This effort should include actions to impose communications discipline within the CO and to the field.
- In the longer term, the VR&E Service should develop and implement a well planned and integrated strategy and program to modify the

underlying regulatory and policy guidance. This should be done in such a way that all the impacts of these changes are thoroughly understood and the associated implementation plans are effectively managed. These regulations and manuals should be modified to also reflect the five-track service delivery system and strategy.

- It is essential that the VR&E Service's capacities for technical and program integration be increased by providing additional FTE and contractor support to manage and integrate these activities. (See Recommendation on CO Organization.)

### **IC-2 Performance Measures**

- Design and implement a new VR&E process and outcomes performance measurement system for the five new VR&E service delivery tracks; base the outcomes performance measures on the concept of "Maximum Rehabilitation Gain;" coordinate with and use the expertise of the Department of Veterans Affairs Program Evaluation Service in the design, testing, and implementation of this new system; also seek the technical assistance of CARF in this effort. (Mid-Term)
- Initiate a study of other federal, state, and private sector vocational rehabilitation service organizations to benchmark process and outcomes performance measures and quality assurance processes; coordinate with and use the expertise of the Department of Veterans Affairs Program Evaluation Service in this study and also seek the technical assistance of CARF in this effort. (Mid-Term)
- Change the current methods used to measure VR&E claim timeliness so that the "timeliness clock" starts when the VR&E Division with jurisdiction gets the Form 1900 application *and* a service-connected disability rating from the Veterans Service Center. (Near-Term; Priority)
- Reevaluate the rules for calculating the current timeliness measures for cases that are transferred to another RO. (Mid-Term; Priority)
- Implement a new C&P performance measure for Veterans Service Center Memo Rating timeliness; incorporate this measure in the performance evaluation criteria for Service Center Managers. (Near-Term; Priority)
- Remove the number of discontinued cases from calculation of the VR&E rehabilitation rate (Near-Term; Priority)
- Do not count Independent Living cases in the current formula for computing rehabilitation rate; create a new performance measurement system for IL. (Near-Term)
- Change the final measurement of employment success from 60 days to 90 days with case closure, and follow-up at 120 days and 180 days by Central Office, Regional Office or Quality Review Staff. (Mid-Term)
- Implement a new VHA timeliness performance measure for Form 8861 requests from VR&E for services to Chapter 31 veterans. (Near-Term)

## DISCUSSION – PERFORMANCE MEASURES

Based on interviews with CO staff, it appears that in previous years VR&E leadership made a policy decision to deemphasize a range of operations, program, and management analysis activities. We do not know if the organization's capacities (policies, procedures, processes, and staff) for analysis were appropriate and effective before the decision was made to deemphasize VR&E's analysis activities.

Implementing new performance measurement and quality review systems are critical success factors for effective VR&E service delivery. For the purposes of this report, the Task Force is concerned about two types of performance measurement – outcome measures and process output measures. Outcome measures focus on how well the mission of the organization (rehabilitation expressed as employment or achievement of independent living goals) is accomplished. Process output measures provide insight into the efficiency of the work process relative to a range of factors such as cost, number of cases managed, number of veterans served, etc.

The current performance measurement system does not provide an accurate picture of the complexity of measuring the delivery of individualized services. Additionally, the current system provides limited visibility and tracking of process output measures to assess the efficiency, productivity, and cost effectiveness of current VR&E work processes. This problem is discussed in more detail later in Program and Operational Analysis and Evaluation.

The Task Force commends VR&E CO for reinstituting a Quality Review process after several years. However, additional resources and leadership attention are required to mature the current process and make changes to accommodate the new five-track service delivery strategy.

The VR&E Service should consider pursuing a strategy to improve the performance measurement and quality review systems. The redesign of both the performance measurement and the quality review systems should be paced by four factors:

1. Design features of the new VR&E Five-Track Employment Delivery System
2. Implementation of the new system
3. Results of the recommended benchmarking analysis, and
4. Management concepts of VR&E's senior leadership

Redesign of these two management systems is a strategic initiative and will require further analysis, careful planning, and sustained implementation including evaluation to achieve success. In the meantime, VR&E should make changes in its current performance measures to present a more accurate picture of VR&E controllable performance.



### **Redesign the VR&E Performance Measurement System**

The Task Force recommendation to implement an integrated five-track employment service delivery system drives the need for the VR&E CO to create new sets of outcome and process performance measures for this new system. The development of these new measures should be integrated with the design of a new work measurement system for VR&E and changes to CWINRS or other information systems so that appropriate data is collected for measurement and analysis. (See Task Force Recommendation on Program and Operational Analysis and Evaluation.)

The VR&E Service should consider basing this new system on the concept of Maximum Rehabilitation Gain (MRG). Prior to the late 1990s, VR&E used a performance measurement system based on the concept of MRG. This concept was abandoned when the VBA Balanced Scorecard was implemented. VA's leadership desired a more explicit outcome measure consistent with those of the other business lines. As a result, the MRG approach was replaced by the single calculation of rehab rate. VR&E CO was able to set the rules such that a successful rehabilitation could be considered if a veteran attains employment in an occupation unrelated to the occupational objective established in the rehabilitation plan if certain criteria are met.

The Task Force encourages VR&E CO to work with the Office of Field Operations in developing this new performance measurement system. To support this effort, the VR&E Service should conduct benchmarking studies of the outcomes and process output performance measurement systems used by other federal, state, and private sector rehabilitation organizations to identify candidate measures to guide this design. The VR&E Service may want to coordinate this effort with the Department of Veterans Affairs Program Evaluation Service and also use the technical assistance of CARF in formulating the design and implementation of a new system.

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*"The Task Force encourages VR&E CO to work with the Office of Field Operations in developing this new performance measurement system."*

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### **Improving the Current Performance Measurement System**

Until such time as a new system can be designed and operationally tested, the Task Force has identified several issues with the current measurement system that should be addressed.

**Rehabilitation Rate.** The key measure that is used today to measure outcome success is the rehabilitation rate. The use of rehabilitation rate as a universal outcome measurement indicator is driving VR&E workload reporting mechanisms, management decisions, and behavior of the workforce. There are several problems with the use of this single outcome measure to assess outcomes performance.

The current calculation of the rehab rate makes no distinction between independent living (IL) cases and other rehabilitation cases. IL service delivery includes the direct and indirect provision of a wide variety of VA and community-based benefits, medical, and social services.

Improvement in the quality of life of an IL veteran is not realistically measured by a quantitative rehab rate. This is much different than the case of a veteran who goes through the program without interruption, graduates from a school, and then is employed. Quantitative measurement can be easily applied to this later case. IL cases should be removed from the calculation of the rehabilitation rate and new outcome measures should be created for the IL program.

The VR&E Service may also want to cease using the discontinued rate in the calculation of the rehabilitation rate for now. Since VR&E is a program of individualized services, the veteran can elect to suspend, discontinue, and resume the program at any time. These decisions are not controllable by VR&E staff. Inclusion of the discontinued rate in the calculation of the rehab rate suggests that VR&E staff members are accountable for the decision of each veteran who interrupts or discontinues the program. In this context, use of the discontinued rate is unfair to the VR&E staff. Further, inclusion of this rate may encourage counselors to retain Chapter 31 veterans in interrupted status or in active status for extended periods of time rather than taking a “hit” on outcomes performance. This behavior can contribute to high caseloads and presents an incomplete picture of the dynamics of the workload.

There is some VR&E survey data that suggest the reasons veterans interrupt their rehabilitation plans and why some veterans go into discontinued status. The principal reasons appear to be medical problems, family and financial considerations, and changes in disability status. However, this data has not been analyzed and the factors that drive these and other specific reasons for interrupted and discontinued cases have not been studied. As discussed in other sections of the report, VR&E CO should initiate research to determine the potential for designing and implementing interventions to mitigate the risk factors for interrupted and discontinued cases. Mitigating the risk factors for interrupted and discontinued cases would have significant payoff for VR&E in terms of workload and for the veteran in terms of achieving rehab success and achieving it earlier. This research may also identify actions that are controllable by VR&E counselors that would mitigate a veteran from going into interrupted or discontinued status. Accountability could then be assigned to a counselor for failure to take the appropriate actions.

The VR&E CO should also work to standardize the rules for determining interrupted and discontinued status. Interviews with field staff indicated wide variation in how determinations are being made for these two case status categories and how this determination is being documented. VR&E CO should also develop output and outcome process measures to provide greater visibility and tracking of cases in these status categories. VR&E CO should particularly track those veterans who have exited discontinued status and reentered active case status.

### ***Timeliness***

Currently, the VR&E timeliness performance measure includes the C&P processing time for Memo Ratings. Inclusion of this C&P timeliness factor in the overall VR&E timeliness measure serves to reduce management visibility of the Memo Rating process and its contribution to the Chapter 31 application and entitlement determination process. VR&E performance timeliness rule should be changed so the timeliness clock for VR&E starts when the VR&E Division receives a Memo Rating from the Service Center.

The VR&E Service should also establish a new performance measure for Memo Rating Timeliness. Currently, there is limited VBA wide visibility and emphasis on Memo Ratings to support VR&E. While the processing of a Memo Rating is a pacing item for the VR&E Divisions, our field visits suggested that Memo Rating Timeliness is not a priority goal for most RO Service Center Managers. Inclusion of Memo Rating Timeliness in the Service Center Manager's performance evaluation would provide a measure of accountability supporting the VR&E process.

Our field interviews also highlighted concerns about the apportionment of timeliness measures for Chapter 31 cases that are transferred from one RO to another RO. The individualized nature of VR&E services makes it impossible to promptly continue working a transferred case as compared to C&P where a claim can still be processed after transfer to another RO as long as the claims folder documentation is available. Although VR&E staff could not provide the Task Force with data on the number of cases transferred, we believe that this problem has reached the level in some locations where it must be addressed. The VR&E Service should develop new timeliness rules for transferred cases addressing concerns about resetting the timeliness clock based on some case controllability criteria.

### ***Measurement of Employment Success***

VR&E currently measures the success of rehabilitation (employment) 60 days after a Chapter 31 veteran has been employed. The Task Force heard from a number of employment experts as well as VR&E staff that the 60-day measurement period may not be long enough to measure sustainability of employment for the veteran with disabilities. Since long-term studies of veteran employment have not been accomplished, the VR&E Service should continue to measure veteran employment status beyond the 60-day point. This can be accomplished by measuring employment status at 90 days, with case closure, with further follow up at 120 days and again at 180 days by either CO, RO, or quality review staff. The point is to let the veteran know that VR&E is there for him or her if he or she is no longer in the job.

### ***VHA Performance Measures for Chapter 31 Services***

As discussed earlier, VR&E counselors are concerned about VHA's response time to Form 8861 requests. Delay in providing these services may be a contributing factor for individual veterans interrupting their

rehabilitation or dropping out of the program. There is limited visibility of these critical requests within the system. VHA should consider establishing a timeliness performance measure for responding to Form 8861 requests from VR&E. (See Recommendation on VHA Priority Chapter 31 Service and Information Technology.)

### **IC-3 Quality Review Process**

- Redesign the Quality Assurance Review process to reflect the new five-track VR&E service delivery system. (Mid-Term to Long-Term)
- Seek technical assistance from CARF to facilitate improvements to the Quality Review process. (Near-Term)
- Conduct an independent review in 6 months of the VR&E Quality Review Process now being implemented. (Mid-Term)

## **DISCUSSION – QUALITY REVIEW PROCESS**

The Task Force commends the VR&E Service for its efforts to reinstitute a systematic quality review process. The details of this process in terms of policies, procedures, and standards are still evolving and are not yet mature. This was evident from our interviews in the field. There appears to be some confusion among field staff about how the process is being implemented and the results of the quality reviews accomplished to date.

A quality review process assumes standardization of policies and regulations so that the QA process can detect variations in implementation. However, there are significant variations in how VR&E policies and regulations are implemented in the field. We have also documented the lack of centralized and disciplined program direction, control, and training from the CO. In this environment, it may be difficult to realistically assess the relative benefits of the QA process so far. The VR&E Service should continue to improve the quality review process and improve communications with the field about the details of the process and its outcomes. Clearly this process needs to mature, but the VR&E Service should standardize the administration of the Chapter 31 program in the field. At the same time, VR&E CO should make changes to the quality program to keep pace with the service delivery changes proposed by the Task Force.

The VR&E Service should consider several changes to enhance the success of this effort.

- Redesign the quality review process to be consistent with implementation of the five-track VR&E service delivery system. VR&E CO must develop quality indicators for the new VR&E service delivery tracks and appropriate quality process policies and guidance for these new service delivery processes. The quality assurance and the field staffs must then be trained to these new standards.
- Consolidate the QA staff at a central location. The current out-based concept appears inefficient and costly as discussed in the Recommendation on CO Organization and Staffing. This out-based approach essentially turns a critical staff resource into an itinerant workforce. The VR&E quality process would benefit by consolidating the

QA function at the Nashville RO to leverage the expertise and experience of the C&P Service in implementing their quality review process.

- Increase the size of the quality review team. The current number of staff devoted to the quality program may be inadequate given the subjective nature of the program and the highly decentralized field structure. The VR&E Service should consider increasing the size of this staff as it makes decisions on consolidating the quality staff at one location.
- Solicit technical assistance from CARF to improve the QA process. The VR&E Service should establish a formal relationship with CARF for technical assistance. While VR&E CO has established a relationship with George Washington University to review its plan for QA, CARF can leverage significant experience and knowledge that would otherwise be unavailable to facilitate this activity.
- Conduct a formal assessment of the VR&E QA program in 6 months. The Task Force did not make a formal assessment of the methods used by the QA program given that the program is still evolving. The VR&E Service should formally assess the progress of the quality assurance program and how well it is integrated with the other change activities arising from this report.

#### **IC-4 Information and Systems Technology**

- Remove the VBA policy constraints impacting VR&E productivity and service delivery to install T-1 lines for all VR&E out-based locations. (Near-Term; Priority)
- Hire a systems integration contractor to provide sustaining support to the VR&E Service for process and requirements analysis, technology assessments, and recommendations, assistive technology consultation, and project management. (Near-Term; Priority)
- Elevate the VA funding priority of CWINRS, accelerate the development and production incorporation of financial and process enhancements, and expand the scope of the current Phase II CWINRS Functional Requirements Analysis. (Near-Term; Priority)
- Develop and conduct an initial and recurring training course on CWINRS report functionality and analysis for all VR&E field and Central Office staff. (Near-Term; Priority)
- Provide VR&E service contractors training on the use of CWINRS and access to WINRS for data entry and reports. (Near-Term; Priority)
- Fully use CWINRS capabilities for Chapter 36; provide nationwide tracking of Chapter 36 participants and access to case information. (Near-Term)
- Create a systems capability for VR&E to request and track VHA appointments and services for Chapter 31 veterans. This effort should be linked establishing clear priority in VHA for Chapter 31 veterans who need services for timely employment readiness and to complete rehabilitation plans. (Near-Term; Priority)
- Leverage IT capabilities to more efficiently administer Chapter 31 training, education, and certifications and to track the progress of veterans in these programs. (Mid-Term)



- Partner with the VA Learning University to develop a 21st Century online higher education program for Chapter 31 veterans and VR&E staff. (Long-Term)
- Initiate a long-term project to develop the functional requirements for a 21st Century VBA counseling, employment, and rehabilitation program information systems capability. (Long-Term)

## DISCUSSION – INFORMATION AND SYSTEMS TECHNOLOGY

Since the early 1990s VBA has made significant investments in modernizing its information technology infrastructure and providing new system capabilities to support its five lines of business – Compensation and Pension, Insurance, Loan Guaranty, Education, and VR&E. VR&E was the last VBA business line to benefit from this modernization investment with the fielding of Corporate WINRS (CWINRS) Version 1.0 in late 2001.

Although VR&E was included in the original concept for modernizing the business software applications supporting VBA's lines of business, VR&E's IT needs were not considered until more recently. VR&E's mission-critical application, CWINRS, is based on the functionality of a software application developed by VR&E staff in four Regional Offices in the early 1990s. This RO developed application was redesigned to operate in the VBA enterprise IT and network environments. CWINRS supports VR&E service delivery at 57 Regional Offices and 138 out-based locations

### Access for Out-Based Service Delivery

The most urgent technology issue impacting VR&E service delivery and productivity is that 52 of VR&E's 138 out-based locations cannot efficiently use CWINRS capabilities because of VBA policy decisions limiting access to T-1 lines. Currently, 86 out-based sites have network access through T-1 lines, a VA Medical Center or through other means. The remaining locations are dependent on using dial-up modem capabilities for access.

As a result, network access is not reliable and system response time is slow. Interviews with RO-based VR&E staff at several ROs indicated that a number of users of CWINRS are experiencing response time and "system lock-up" problems when using CWINRS.

Reliable access and timely system response are critical success factors for VR&E. VR&E is the only VBA line of business where face-to-face contact with the veteran is required for delivery of benefit services. Although VBA supported VR&E's "Access Initiative" to enhance face-to-face outreach, it appears that the resource and technology consequences of the policy decision to out-base VR&E staff were not fully considered before the decision was made and implemented. CWINRS is so intertwined in VR&E service delivery that lack of reliable access and timely system response has directly degraded the productivity of out-based staff and their ability to provide services to veterans. This problem is the source of high frustration on the part of out-based VR&E staff members

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*"The most urgent technology issue impacting VR&E service delivery and productivity is that 52 of VR&E's 138 out-based locations cannot efficiently use CWINRS capabilities because of VBA policy decisions limiting access to T-1 lines."*

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Discussions with the VBA CIO indicate that VA is considering a future effort to transition CWINRS to a Web-based version of the application that would facilitate improved access and response times. However, this effort is not funded and is not being pursued as a high priority initiative. Therefore this potential future project may not be a solution to the problems of CWINRS reliable access and timely response. The best solution is immediate installation of T-1 lines in all VR&E out-based sites.

### **VR&E Capacities for Process and IT Integration and Management**

VR&E has only one CO staff member dedicated to managing technology requirements, programs and training. Systematic management of process and technology requirements analyses are limited as are the capacities for the management of complex projects. These and other challenges have been previously noted in various studies and assessment reports on VBA's business line management of technology modernization programs.

VR&E CO has also not been as effective as it could have been in planning for, justifying, and using technology solutions. VR&E will likely become more dependent on technology to implement its program of services and must improve its capacities for technology management and use. The Task Force recommends that some of the increase in VR&E CO staffing recommended by the Task Force be allocated to IT management. We also recommend that VBA fund VR&E CO to acquire the services of a systems integration contractor to create an organizational capacity for technology management. The systems integration contractor should provide on-going business process analysis; develop functional requirements for enhancements to current systems and new systems; identify technology and data centric solutions to facilitate counseling, employment and rehabilitation programs; and provide project and program management support services.

### **Priority Enhancements to CWINRS**

VR&E is in the midst of developing Phase II Functional Requirements for CWINRS. The goal of this effort is to develop business rules to enable processing of Chapter 31 award benefits through CWINRS rather than to process awards through the Benefits Delivery Network (BDN) System. The original scope of the Phase II CWINRS Program included significant functional enhancements for a broad range of capabilities to support VR&E. VA made a policy decision in April 2003 to reduce the scope of the Phase II Program to only include the functionality necessary to move Chapter 31 award processing and associated activities off of the BDN to CWINRS. The current schedule calls for production rollout of Phase II WINRS in December 2006.

There appear to be about 172 functional enhancements to WINRS that are not included in the Phase II Program. The Task Force identified 172 enhancements based on a review of various VR&E and IT documents and interviews. These enhancements also do not include any new requirements associated with implementation of a comprehensive employment program or those new enhancements to implement changes to the current VR&E process resulting from the recommendations of this Task Force.

These enhancements do not appear to be funded for development and production. Based on discussions with VR&E and VBA CFO staff, the following enhancements should be considered for priority funding and implementation.

- Ad hoc query and report generation capability. (Near-Term; Priority)
- All financial management requirements identified by the VBA CFO including those requirements to facilitate FMS/CWINRS integration. (Near-Term; Priority)
- Management and oversight of all – contractor services and products by veteran, counselor and type of goods or services. (Near-Term; Priority) (See Recommendation on Contract Management)
- Establish cumulative expenditure thresholds for purchase of goods and services; establish second level of pre-approval tied to these thresholds. (Near-Term; Priority) (See Recommendation on Financial Management)
- Expand functionality for case management narrative text and attachment of externally generated professional evaluations and case histories. (Near-Term) (See Recommendation on Work Process.)
- Provide an interim information system capability to support a redesigned comprehensive employment services program. (Near-Term; Priority)

### **VR&E Management and Operations Reports**

Currently VR&E uses a series of DOOR, COIN TAR and CWINRS reports to manage the program. These reports are created based on sets of business rules and logic. Based on a review of the Phase II CWINRS Statement of Work (SOW), it does not appear that the current SOW addresses the need for analysis of the underlying data that is used to generate these reports; the functionality and business rules of all DOOR and COIN TAR reports and the report formats supporting VR&E; cross walks this information to the current WINRS data and report architecture; and uses the results of this analysis to identify additional functional requirements for WINRS. If this analysis is not accomplished it is likely that when BDN is turned off that VR&E will have less management data and information than they do today. There are four other issues that relate to VR&E report capabilities.

- Since the development of the initial set of reports for CWINRS, there has been limited funding to support development of ad hoc query and other report capabilities to more fully exploit the data in CWINRS. This funding situation has limited the ability of the PA&I staff to support VR&E. VBA should provide priority funding to PA&I to allow them to create the reports necessary to allow VR&E to optimize use of the data that is available in CWINRS. VBA should also provide a yearly funding stream to support development of a more comprehensive report generation capability.
- Another concern relates to the use of the current reports capability of CWINRS. The Task Force is concerned that VR&E CO and field staff are not fully using the inherent functionality and report generation capability of CWINRS. During several field visits, VR&E staff indicated that certain

data was not available from CWINRS to support various management and program oversight functions. However, the VBA PA&I staff was able to generate reports from CWINRS to address most of the questions we asked of the field staff. We believe that while VR&E may have conducted some level of initial training on CWINRS, this training was not as effective as it could have been. Further, no institutional CWINRS training program has been established to improve consistent use of CWINRS and mine its report capability. It is essential that VR&E CO take prompt action to train CO and field staff in using CWINRS. (See Recommendations on Training.)

- The St. Petersburg RO has developed an automated workload management tool. This systems capability pulls data from multiple VBA data base sources into a single user-friendly Access database. This capability would significantly enhance the St. Petersburg VR&E staff's ability to manage their workload that accounts for 6.6 percent of the national VR&E workload if the CWINRS database could be accessed on some periodic basis to populate the St. Petersburg VR&E database. This tool may have the potential to be rapidly implemented in ROs that have high volumes of VR&E workload. We encourage VBA to take aggressive action to provide St. Petersburg this CWINRS data on a priority basis and support evaluation of this management tool.
- Finally, the VR&E CO's corporate knowledge of the spectrum of DOOR and COIN TAR reports and associated business rules and logic resides in one person at the VR&E CO. This situation creates a major risk for VR&E. VR&E must take prompt action to mitigate this risk by training additional staff and enhancing current CWINRS reports functionality.

### **Interim and New Support Capabilities**

**Employment Capabilities.** A critical need exists to provide the field with an interim systems capability to support a redesigned employment process until such time as an enterprise-wide business application can be developed and implemented based on a mature employment process. The Employment System currently in use by the Alabama Department of Rehabilitation Services might serve as a model for such an interim system. Other state based systems might also be models for interim capabilities. Priority funding will be needed to develop an initial set of requirements for an interim employment system, survey off-the-shelf applications, and implement interim capabilities at the earliest date.

**Chapter 31 Service Requests to VHA.** A technology solution should be implemented to provide VR&E an automated capability to request appointments and services for Chapter 31 veterans. Currently, VR&E uses CWINRS to print a Form 8861 that is then forwarded to VHA requesting services. Since CWINRS was activated in September 2001, VR&E has submitted 33,000 paper form requests to VHA or about 15,000 on an annual basis. The current process does not facilitate rapid feedback and coordination of services and appointments as well as data collection and

analysis of the volume and nature of VHA service supporting Chapter 31 veterans. An automated capability would speed appointment requests, provide more rapid communications to coordinate services, and provide faster closure of cases. VHA should take the lead in working with VR&E to baseline the requirements for an improved process and implement a systems capability to support VR&E case management activities for Chapter 31 veterans.

***Contract Counselor Access to CWINRS.*** VR&E relies on a network of professional contract counselors to perform a range of services. According to VR&E reports, virtually all of the annual volume of Chapter 36 counseling is provided on a contract basis. The VBA CIO should initiate a study with VR&E to determine the capabilities and security protocols needed to provide VR&E contract counselors with access to CWINRS. VBA should then provide VR&E contractors access to CWINRS based on established protocols and training. (See Recommendation on Training.)

***Administration of Education and Training Programs.*** VR&E manages a number of coordination activities associated with VR&E Chapter 31 veterans attending training and educational institutions. These activities also include regular contact with the veteran to assess progress and with appropriate school officials to coordinate administration of the program. The U.S. Department of Education, VBA's Education Service, and the military services have invested in capabilities to leverage IT to facilitate the administration of education programs that have similarities to the VR&E program. The VR&E Service with support of the CIO should initiate efforts to determine how to best leverage IT capabilities to make VR&E's administration of Chapter 31 training and education programs more efficient. This effort should also include using IT capabilities to more systematically communicate with veterans in school status, receive progress reports from schools to monitor progress, facilitate financial transactions, and receive final transcripts.

### **Distance Learning Program and Online Higher Education**

Some service-connected disabled veterans with employment handicaps may lack the mobility to participate in traditional classroom-based higher education. Online learning for higher education overcomes mobility issues and is an accepted alternative to traditional classroom-based higher education. The use of web-based education is also a proven method for increasing access to educational opportunities for an organization's employees.

The U.S. Army, in a contractual partnership with an integrator who aggregates the services of 27 colleges and universities and a wide range of other vendors, has been operating the *eArmyU* online education program to provide enlisted soldiers with the ability to earn higher education degrees anytime and anywhere. The integrator provides a 24X7 help desk, negotiates class rates, and tracks an individual's participation in the program. Several unique aspects of the *eArmyU* program include a technology package that consists of a laptop computer with an Internet Service Provider account as well as educational counselors. Since the program's



inception in January 2001, over 36,000 soldiers have participated and approximately 27 percent of the program participants had never attended college before.

The VA Learning Online (VALO) currently provides unlimited access to a managed library of web-based courses to all VA employees. VALO selects and deploys a comprehensive on-line library of over 1,200 courses in partnership with a commercial Application Service Provider. VALO seeks collaborative arrangements with business and academia to offer its commercial off-the-shelf web-based training and maintains a 24X7 help desk. Over 38,000 VA employees have taken courses through VALO.

VBA should consider the following strategies to improve distance learning and online educational opportunities for both Chapter 31 veterans and VR&E staff:

- Partner with VA Learning University (VALU) to develop a concept proposal report on an *eArmyU* and VALO type program and portal, which would provide Chapter 31 veterans with access to a wide range of online higher education courses and degree programs.
- VA Learning University should expand its inventory of web-based courses that would enable VR&E staff to update their skills in such areas as functional capacity evaluation, vocational counseling, and contract management. VBA could also promote the use of online training courses to address continuing education requirements for VR&E licensed professionals.
- If a decision is reached to establish a certification requirement for VR&E contractors, one element of a training module should include online training courses on such topics as VA benefits and services, case management, independent living assessment, and employment placement.

### **IT Vision for VR&E**

The current functionality of CWINRS reflects a 1990s or earlier view of VBA's vocational rehabilitation business. Absent strong CO leadership and management to acquire IT solutions, several Regional Offices took the initiative to develop an IT solution to support operations. This solution formed the basis for the current 2003 functionality of CWINRS.

For now and the immediate future, CWINRS will be the core business system application supporting VR&E operations. While efforts need to continue to improve CWINRS, it is time for the VR&E Service to also focus on longer term systems solutions to facilitate a 21st Century counseling, employment, and rehabilitation program. Task Force recommendations provide guidance on the key elements of a redesigned counseling, employment, and rehabilitation program. This guidance must be turned into an operational service delivery and business process baseline that will drive new system requirements.

VBA should also consider creative acquisition approaches to providing VR&E new system capabilities. While VR&E is an important mission area, C&P needs will continue to drive the priority of VBA resource allocation. Funding of

bottoms-up development and fielding of new VR&E system solutions in a timely manner may not be feasible given these fact-of-life resource considerations. Creative acquisition approaches might include use of commercial-off-the-shelf systems or lease or fee-for-service arrangements.

### **IC-5 Training**

- Establish a VR&E Training and Education Office to be located at the VR&E Central Office and provide dedicated staff. (Near-Term)
- Accelerate the VR&E Training Needs Assessment planned for FY 2005 to begin in FY 2004. (Near-Term)
- Develop and conduct formal initial training courses and a recurring training program with the VBA Training Academy using community as well as private sector and university-based experts and advocates in the field of disability, rehabilitation, and employment of persons with disabilities. (Near-Term)
- Create a program of professional continuing education and initiate a technical assistance relationship with the Commission on Accreditation of Rehabilitation Facilities. (Near-Term and Mid-Term)

### **DISCUSSION – TRAINING**

In assessing the VR&E training program, Task Force members conducted interviews with VR&E CO and field staff, fact-finding at the VBA Training Academy, and meetings with the VBA Technical Training and Evaluation staff. The Task Force also reviewed available documentation such as VR&E's Training Proposal for FY 2004-2007.

Historically, training has not been a priority for the VR&E Service. The training that has occurred in VR&E has been ad hoc relying on the use of periodic conferences, video broadcasts, and newsletters. These efforts have not been tied to an overall strategy, plan, and program. VR&E has also not documented the training that has been delivered in terms of those who attended and the outcomes of the training that was delivered.

For the most part, VR&E Officers at the ROs have been left on their own to create training programs and use on-the-job training approaches for new employees. The cumulative impact of this situation has contributed to wide variation in how the VR&E program is administered in the field and the interpretation of regulations and rules, inconsistent development of the skills of the workforce, and loss of productivity. The need and desire for a comprehensive training and professional education program was a consistent theme heard by the Task Force during visits to VR&E field offices.

### **VR&E CO Training Capacity**

It is essential that VR&E build a CO capacity for staff training and professional education. While the VR&E Service has designated a training coordinator for the VR&E Service, this position is not located in the CO and it does not appear that this position is dedicated to the training function. VR&E should create a full-time Training and Education Manager position at the CO as soon as possible.

The VR&E CO staffing increases proposed by the Task Force should include additional staffing for the training and education function. The VR&E Service should also develop a job description and process tasks to standardize the role and function of VR&E training coordinators in the ROs.

### **VR&E's Future Training Strategy**

In 2002, VR&E began an effort to take a more strategic approach to training.

Working with the VBA Technical Training and Evaluation staff in Orlando,

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*"Historically, training has not been a priority for the VR&E Service."*

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VR&E created a training approach based on developing a set of computer-based training capabilities. This approach uses the Instructional Systems Development (ISD) methodology to create a technical baseline of knowledge, skills, and abilities required to perform work tasks. This information is then used to develop a series of computer-

based training aids and interactive courses. This is the same model followed by the C&P Service. ISD is a powerful tool for analysis and provides significant data and information that an organization can use to support variety of activities to analyze and improve work processes and achieve a better alignment of the workforce with those processes.

VR&E CO has formalized this approach in its Training Proposal for FY 2004–2005. Although this proposal has yet to be acted on and funded by VBA, the Task Force commends VR&E for taking this significant step. There are several concerns about the VR&E Service's training strategy and capacity to plan and execute a training program.

- VR&E's strategy to use the ISD process as a long-term means to develop a training program is sound. As demonstrated by the experience of the C&P Service, the ISD process is not the best way to provide short term training capabilities to meet near-term, urgent needs. The VR&E Service may want to consider shifting its current focus to providing more near-term, priority training.
- VR&E should continue to work with the VBA Technical Training and Evaluation Group to further refine the scope and content of the program and complete the initial job guide activity. The work of the VBA's Technical Training and Evaluation Group can be used to support process improvement activities and should be integrated with other similar efforts already underway.
- VBA should accelerate and fund the Training Needs Assessment planned for FY 2005 so that it begins in FY 2004. Under the current plan, implementation of any development of identified training and education programs is not scheduled until FY 2006 and later. The scope of this assessment should be expanded to include leadership and management needs as well as analysis and determination of continuing professional education program requirements. VR&E should actively involve the staff from the VBA Training Academy and the Technical Training and Evaluation in conducting this assessment.

- There are also concerns about VBA's priority in funding VR&E's training requirements. During the course of the time this Task Force has been at work, VBA deferred funding for VR&E's planned FY 2004 training conference. While VBA has focused appropriately on the need to invest in the training needs of C&P, the current VR&E Training Strategy must be funded for earlier implementation. The more near-term training course requirements identified below should be funded early in FY 2004.

### **Near-Term, Priority Training Needs**

The VR&E Service should consider implementing the following training courses as soon as feasible in FY 2004. These courses should be designed and conducted using the expertise and capabilities of the VBA Training Academy staff in coordination with outside experts from the disability, rehabilitation, employment, and academic communities. These courses should be designed to fit into a sustaining training program for each topical area.

- ***Leadership and management training for VR&E RO supervisors, officers and CO staff.*** Leadership and management are not key strengths of the VR&E organization. This training should be designed to strengthen capacities for organizational, business line and process management, and management analysis. Interviews with RO Directors, Office of Field Operations staff, and feedback from VR&E staff highlighted the need for VR&E supervisors and officers to improve their knowledge, skills, and abilities to lead and manage a VBA line of business. In some ROs like Los Angeles, the RO Director has recognized this need and initiated mentoring activities for key VR&E staff. This effort resulted in significant improvements in VR&E RO management and programs. We suggest that VR&E CO work with the OFO and selected RO Directors to identify high priority leadership and management needs and solicit their participation in designing and delivering this course(s).
- ***Training for VR&E employment staff and associated VR&E staff members.*** VR&E should develop a comprehensive training program for employment staff that conforms to the proposed employment operational concept recommended by the Task Force. Task Force recommendations on employment are far reaching and represent a fundamental shift in how VR&E does its work. Therefore, the VR&E Service should develop a series of initial training courses and a follow-on training program to develop staff skills, knowledge, and abilities to facilitate operations of this new five-track employment process. The VR&E Service should also develop an employment orientation course for all VR&E service and field staff as well as all contractors so that the VR&E community is well versed in the new direction for the program, the process, and desired outcomes.
- ***Training in regulations, procedures, policies and operations.*** The Task Force observed significant variations in the field regarding the intent of regulatory and manual requirements, case management processes, and the overall implementation of the VR&E program. The Task Force has also observed what we perceive to be a lack of strong CO leadership

and direction to specify and enforce the disciplined and consistent use of mandatory guidance. The Independent Living training program described below provides an example of the lack of CO leadership regarding training and enforcement of standardization.

- ***Training for Independent Living Program and Services.*** The initial course should be designed to inform all staff as to the specific standards and policies for how the program will be administered. The VR&E Service should also leverage the capabilities of academic institutions and Centers for Independent Living to develop this training program. There is a critical need to standardize the implementation of this program. During field visits, the Task Force observed significant differences in philosophy about the scope and administration of this program. Such variations impact organizational efficiency and effectiveness and more importantly, service to veterans.

For example, the recent May 2003 training broadcast titled “Independent Living: Process & Resources” provided the Task Force insights on why such variations occur. Rather than have CO staff define the details of regulations and policies and prescribe how the process is to be implemented, the broadcast relied on VR&E field staff to present their ideas of how to interpret regulations and policies and how to implement the program. Rather than standardize the process and use of regulations and policies, the broadcast reinforced the notion that each RO and each counselor can interpret how the process and rules should be implemented. This current approach only serves to encourage more variation in the program.

- ***Optimize the use of CWINRS functionality and reports for management analysis (tools and techniques).*** The VR&E Service and field staffs are not effectively using the inherent CWINRS capabilities that do exist. The VR&E Service used a train-the-trainer concept to train the field staff when CWINRS was implemented in 2001. Discussions with VR&E field staff indicated that this training varied greatly from RO to RO and there has been no subsequent training on the use of CWINRS and how to use its reports functionality for management analysis. The VR&E Service should seek the active participation of the VBA Performance Analysis and Integrity (PA&I) staff in the development and implementation of this training.
- ***Training for Regional Office Directors and Service Center Directors on VR&E benefits and work processes.*** During Task Force visits to regional offices it was clear that not all RO Directors and Service Center Managers understand VR&E benefits, programs, and processes. This may have contributed, in part, to the isolation that some VR&E staff feel within the ROs and the communications problems that appear to exist that impact productivity and service. VBA should consider the most appropriate way to provide an initial training course to all RO Directors and Service Center Managers and then provide continuing training.



- ***Training for contract counselors providing counseling and rehabilitation services for VR&E.*** The current National Contract statement of work has not adequately addressed standards of performance. This has resulted in variations in how contract services are used and the content of the work performed. Customer survey data of Chapter 31 veterans also indicates that VR&E has not trained contract counselors in VR&E policies, procedures, and program benefits. This Task Force also interviewed contract providers at several ROs. We were impressed with their capabilities, attitude, and commitment to working with veterans. However, the contractors felt there was a need for training. The Task Force recommends that training should be formalized as a requirement so that no contractor can function as a surrogate VBA counselor or service provider until they have been accredited through this training program.
- ***Training for veteran service officers on VR&E benefits, regulations, policies, and processes.*** Task Force interviews with veterans service organization (VSO) representatives at several ROs highlighted the need for VSOs to be better informed about VR&E program benefits and associated work processes. VSOs do not appear to have the same level of knowledge and understanding of the VR&E program as they do for C&P. This is particularly the case for employment services. The VR&E Service in coordination with the VSO community should consider developing a training course and program on benefits and processes for VSO representatives.

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*“ The current National Contract statement of work has not adequately addressed standards of performance.”*

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### **Professional Education and Accreditation**

The VR&E Blue Ribbon Panel made several recommendations related to requirements that VR&E provide professional training and development for staff. The Task Force is also concerned about the need for VBA to invest in professional education for the VR&E staff. We believe that VR&E CO has not been successful in implementing previous recommendations on professional education because of a lack of understanding by VBA on the need for professional continuing education, inadequate VR&E Service resources dedicated to training management, and limited budgets to fund programs.

The VR&E staff should be on the cutting edge of 21st Century counseling, employment, rehabilitation knowledge, and technology. To that end, the VR&E Service should develop an institutional capability to provide a program of continuing professional education developed by the VR&E Service, leverage VHA professional education programs, and use continuing education programs administered outside of VA. VBA should fund this professional education program and implement policies to allow use of administrative leave to attend continuing professional education events.

In developing this program, the VR&E Service should also consider the advantages of accreditation by the Commission on Accreditation of

Rehabilitation Facilities (CARF). Accreditation offers some advantages. However, it may be premature to make the decision to pursue accreditation at this time. As discussed in this report, the VR&E Service has limited capacities for planning and implementation of change and projects. In terms of relative VR&E Service priorities, we suggest that accreditation should not be viewed as a near-term tactical priority or a critical strategic need.

As an interim strategy, the Task Force recommends that VR&E CO establish a formal relationship with CARF for technical assistance to support a variety of improvement efforts. This technical assistance should include the design of a sustainable professional education program. We note that VHA has a long-standing relationship with CARF so this would be a broadening of an existing VA relationship. We recommend that VBA provide some funding to initiate this effort in FY 2004.

The Task Force also recommends that VR&E CO establish more formal relationships with Schools of Vocational Rehabilitation to leverage their capabilities to be part of the team effort to create and sustain this professional education program. This effort should be tied to a VR&E CO initiative to identify to these schools the future skills, knowledge, and abilities that VR&E counselors will need to deal with 21st Century veterans and their needs. Based on the anticipated attrition of VR&E counselors and the small number of schools of vocational rehabilitation, VR&E may have leverage to influence curriculum design.

An integral part of this effort should include use of the capabilities of the VBA Technical Training and Evaluation staff to perform an analysis of the knowledge, skills, and ability requirements for counselors and rehabilitation specialists to deal with 21st Century veterans. This analysis is also essential to size the future workforce in terms of skills and skills mix. (See Recommendation on Workforce.)

#### **IC-6 Resource Management**

- Develop an improved VR&E Resource Requirements Model. (Mid to Long-Term)
- Modify the VR&E Resource Allocation Model to base contract funding on the forecasted estimate of the volume and types of services and the actual unit cost history for those services at each RO. (Mid-Term to Long-Term)
- Provide the VR&E Service Director some measure of control over the allocation of resources. (Near-Term)
- Restrict the authority of RO Directors to redirect VR&E funds. (Near-Term)

#### **DISCUSSION – RESOURCE MANAGEMENT**

The Task Force commends the Office of Field Operations (OFO) for taking the lead in trying to improve the methodology for allocating VR&E FTE and contract dollar resource requirements. However, several concerns need to be addressed.

## Resource Requirements

The VR&E Resource Allocation Model bases FTE allocations primarily on workload, but also recognizes the requirement to allocate FTE to support succession and training. However, this model is based on assumptions that may be highly uncertain. There are three key assumptions of concern. These assumptions are that the size of the current workforce is appropriate to the workload and level of performance, the professional staff ratio of 1 to 100 cases is a valid basis for planning, and the workload is a basis for determining the allocation of contract funding.

As noted previously in this report, there is limited analytical data to support comprehensive analysis of the VR&E workload. In 1983, the VR&E Service abandoned the use of its End Product code work measurement system. This system was based on the same concept still used by the C&P Service to manage its workload. The VR&E End Product code system was replaced with a case status approach that limited the visibility and tracking of VR&E's discrete workload. This resulted in a reduced emphasis on workload and productivity management. While the most recent focus on VR&E resource allocation is a positive step, there does not appear to be data to relate the current size of the VR&E workforce to a workload and productivity baseline. In other words, there is no data to support the assumption that the workforce is appropriately sized.

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*"The Task Force commends the Office of Field Operations (OFO) for taking the lead in trying to improve the methodology for allocating VR&E FTE and contract dollar resource requirements."*

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Based on discussions with VR&E staff, the professional staffing ratio of 1 staff member to each 100 cases appears to be based on anecdotal information that is frequently used in social service case management settings for estimating workforce requirements. This raises the question as to whether or not such a ratio is the appropriate basis to use in allocating constrained resources. While this ratio may be appropriate as an initial departure point for planning, Task Force fact-finding in the field did not uncover VR&E data to suggest that this is an appropriate factor for use in this model. The Task Force found significant variations in caseload per staff member within VR&E Division offices and nationwide. Further, there appears to be significant differences in the content of work performed for different type cases. If the planning ratio is appropriate, then the actual requirements for VR&E staff exceed the current FTE allocation.

The Office of Field Operations (OFO) has made a good faith effort to understand the VR&E workload and deal with how best to allocate constrained FTE resources among the ROs. However, the resource allocation model is not a requirements model. The fundamental dilemma faced by OFO is that VR&E does not have valid workload requirements and productivity models to provide information to estimate total resource requirements. As addressed in Recommendations on Workforce, significant work must be undertaken by the VR&E Service to develop the analytical baseline for determining workload requirements and productivity. As part of this effort, the Task Force encourages the VR&E Service and OFO to jointly develop appropriate resource allocation methods based on new workload and productivity models. This effort must

also take into account the recommendations of the Task force concerning the implementation of the five-track service delivery system and strategy.

### **Allocation of Contract Funds**

The FY 2001 VA budget transferred \$30 million from the Readjustment Benefits account to the General Operating Expense (GOE) account. The purpose of this funds transfer was to finance VR&E's contracted workload and to allow ROs to have the option to "buy" additional FTE positions. Allocation of funds to the ROs to purchase contract services was based on the ROs percentage of the national VR&E workload. The proposed allocation of contract funds for FY 2004 is also based primarily on the percentage distribution of the VR&E national workload.

There are risks in basing the allocation of contract funding solely on the percentage of workload. An allocation formula based on workload may be appropriate if the cost and distribution of contract services are the same in all ROs, but that is not the case based on Task Force analysis of the VR&E National Contract Strategy. The current model formula may create inequities in dollar allocations because of the wide nationwide variation in contract costs for the same type of contract services. While one RO may be allocated more "contract dollars" than another RO, the actual costs for services at the first RO may be higher than the costs at the second RO. The result is that the first RO may actually provide a lower volume of contract services than the RO that has a smaller allocation of "contract dollars." This situation may have led to some of the issues associated with VBA's concerns about utilization of contract funds. As reported to the Task Force during interviews, this problem often shows up in the field at the end of the year as unobligated funds and the need to reprogram funding to support RO contract requirements.

The OFO may want to consider modifying its Resource Allocation Model for contract services to a methodology based on the forecasted estimate of the volume and types of services and the actual unit cost history for those services at each RO. In order for OFO to modify this model, the VR&E Service should take action to develop the data and information necessary on the volume and type of contract services. VR&E Division offices should be able to make reasoned estimates of the number and types of services by fiscal year. This effort will require that the VR&E Service and VR&E Officers make explicit decisions about the contract services strategy nationwide and at the RO; use this data to track how the actual utilization of services compares to estimates; and use this information to develop a management system for effective use of contract services resources.

As noted elsewhere in this report, CWINRS does not currently have the functionality to provide data on the number and type of contract services by RO. Additionally, there is no alternate data collection system to provide visibility and management of actual delivered contract services. Until such time as a system solution through CWINRS can be implemented, the VR&E Service should consider developing guidance and direction for the ROs to routinely collect and report data on the volume and types of contract services delivered along with unit costs. The VR&E Service should consider instituting on-going analysis

of this nationwide data and information as well as provide visibility of this information to RO Directors and VR&E Officers. This information should also be used to inform VBA decisions about resource allocation and the strategy for use of contract services.

### **VR&E Service Control of Resources**

As understood by the Task Force, the VR&E Service Director has virtually no control over allocation of resources to execute the VR&E mission. As a result, there may be a disconnect between VR&E Service development of policy and its implementation in the field. While the VR&E Service may develop appropriate policies and initiatives, the current resource allocation and control process does not allow the Service Director to make the life-cycle resource decisions to execute those policies and service delivery changes. It is possible that this is one of the contributing factors to the inconsistency in administration of the program and the problems of accountability within VR&E. The Task Force also heard numerous complaints from the field that funds allocated to support VR&E Division offices are often redirected to other offices within the RO. The Task Force was not able to determine the degree to which this has been the case.

It is clear that the VR&E Service Director does not have the visibility and some measure of control over resource allocation to the field that is necessary to ensure consistent administration of the program and execution of comprehensive changes. Implementation of the recommendations of the Task Force will require additional funding and tight linkage of this funding and the initiatives arising from these recommendations if VR&E is to be successful. At least in the near-term, VBA should consider providing the VR&E Service Director greater visibility and control over funds allocation (including contract funds). This action should also include restrictions on RO's redirecting VR&E Division resources.

### **IC-7 Program Analysis and Evaluation (PA&E)**

- Defer the VA Program Evaluation of the VR&E Program scheduled for FY 2005; first invest in rebuilding VR&E Service data and analysis (strategic and operational) capabilities. (Long-Term)
- Develop and fund a short and long-term research and study agenda on VR&E served veterans and program outcomes. (Long-Term)
- Develop and fund efforts to develop a set of evidenced-based practices to guide development and implementation of VR&E policies, procedures, and policies. (Near-Term)

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*“As understood by the Task Force, the VR&E Service Director has virtually no control over allocation of resources to execute the VR&E mission.”*

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### **DISCUSSION – PROGRAM ANALYSIS AND EVALUATION**

For the purposes of this report, the Task Force uses the term PA&E to refer to a broad range of strategic and tactical data-centric functions that we believe are essential if VR&E is to improve its planning, service delivery, and operations management capacities. These functions include strategic and policy analyses, program evaluation, research to develop evidence-based practices, program



evaluation, veteran demand forecasting, and analysis of field operations. VR&E is not a data-centric organization. Task Force direct observations of daily VR&E CO activities, interviews with staff, and review of previous reports make it clear that over the past decade VR&E Service leadership has placed less and less emphasis on the collection of data and its analysis to influence decision makers. The report has documented this theme repeatedly. This trend began in 1983 when the VR&E Service abandoned the End Product code system and the associated workload and productivity management systems were no longer populated with detailed data for analysis of the process. This trend continued into the 1990s when the VR&E Service leadership abandoned the quality review process and ceased the systematic analysis of operations. This trend was continued into this decade with the introduction of CWINRS where there has been limited use of the data and information that is available from the system to provide enterprise-wide oversight and management of the workload.

The VR&E Service is now in the situation where a concerted and priority VA effort is necessary to rebuild the analytical capabilities of the VR&E organization. This effort is essential if the VR&E Service and field offices are to have ready access to the data and information needed to make the strategic and tactical decisions necessary to forecast and manage the workload and then to assess the outcomes of the program. A number of recommendations appear in the report that address specific actions that need to be taken. Actions are required 1) to develop and implement a new workload forecasting and management system, 2) implement a new productivity management system to include estimation of workforce requirements, 3) an improved performance measurement system, and 4) information technology capabilities to enhance the access to use of available data. VA should support these and the following actions on a priority basis with funding and departmental expertise.

The Task Force recommends that VA defer the VR&E Program Evaluation scheduled for FY 2005. In our view a full, formal evaluation is premature given the state of data and analysis within the VR&E Service. It is clear that there is minimal aggregate information available about the demographics, characteristics, and diagnostic categories of participants, or other positive rehabilitation outcomes that have resulted from participation. VA should defer the evaluation for now and facilitate building the capabilities necessary to support VR&E operational and program analysis and evaluation.

There is a critical need to develop a short-term and long-term research and study agenda to advance the knowledge and understanding of the VR&E veteran population and the long-term outcomes of the program. Research and study projects should include:

- Tracking and monitoring the vocational rehabilitation and long-term, multi-year employment outcomes of Enduring and Iraqi Freedom disabled veterans. This effort should begin immediately.
- Assessment of the vocational rehabilitation and employment outcomes

of VR&E served veterans who have mental health disabilities. The VR&E Service may want to consult with the VHA Northeast Program Evaluation Center (NEPEC) to conduct this study given their experience in the evaluation of mental health programs.

- Analysis of the causes for veterans interrupting or discontinuing vocational rehabilitation and employment programs and identification of interventions to mitigate the risks of veterans leaving the program.
- Development and implementation of a series of longitudinal studies that track the outcomes of specific cohort groups of disabled veterans as they go through the VR&E program and then over the life cycle to assess long-term, multi-year outcomes.
- Expansion of the 1999 VR&E “Quinn Report”<sup>2</sup> methodology to develop and regularly update a comprehensive set of statistics on the population of veterans served by the VR&E Program.

As previously discussed in this report, the VR&E Service is an island within the larger disability and employment of persons with disabilities community. This may be one reason why many of the VR&E staff interviewed lacked familiarity with research done within VHA and outside VA on rehabilitation and employment of persons with disabilities.

There are also concerns that the VR&E Service may not be basing its policy and process decisions on evidenced-based practices. In VHA, the Office of Research and Development (ORD) oversees four areas of research including laboratory science, clinical science, health services, and rehabilitation. The VR&E Service should consider establishing a collaborative effort with the rehabilitation section of ORD and the research function the Task Force proposes be created within the VR&E Service (See Recommendation on CO Organization.) to study the impact of varying VR&E services on outcomes with the goal of adopting evidence-based practices.

<sup>1</sup> The purpose of this guidance was to inform states and grantees of the Employment and Training Administration’s policy on common performance measures for federal job training and employment programs. These common performance measures were developed from guidance expressed in OMB Director’s Memorandum M-02-06. This document is on the DOL Website at [http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=1535](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=1535)

<sup>2</sup> As discussed in Chapter 3, in 1999 VBA produced the Quinn Report, which was named after the requestor—Congressman Jack Quinn (R-NY). The report’s data were arrayed in many formats, such as gender, disability rating, educational level, length of service, and others.

